

REF:NS:SEC:
5th July, 2019

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

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

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

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

Dear Sirs,

Sub: Compliance under Regulations 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulations 30 & 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following, which are being sent to the Members of the Company:

1. Notice of the 73rd Annual General Meeting of the Company to be held on Wednesday, 7th August, 2019 at 3.00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai - 400 020;
2. Integrated Annual Report for the Financial Year ended 31st March, 2019; and
3. Attendance Slip and Proxy Form.

Kindly take the same on record and acknowledge receipt.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



 NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: as above

THE SEVENTY THIRD ANNUAL GENERAL MEETING OF MAHINDRA & MAHINDRA LIMITED will be held on Wednesday, the 7th day of August, 2019 at 3:00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020 to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the Report of the Auditors thereon.
3. To declare a dividend on Ordinary (Equity) Shares.
4. To appoint a Director in place of Dr. Pawan Goenka (DIN: 00254502), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

5. Ratification of Remuneration to Cost Auditors

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

“RESOLVED that pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendation of the Audit Committee, the remuneration payable to Messrs D. C. Dave & Co., Cost Accountants having Firm Registration Number 000611, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending 31st March, 2020, amounting to Rs. 8,00,000 (Rupees Eight Lakhs only) (plus Goods and Services Tax and reimbursement of out of pocket expenses) be ratified.

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

6. Re-appointment of Dr. Vishakha N. Desai as an Independent Director

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

“RESOLVED that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Dr. Vishakha N. Desai (DIN: 05292671), who was appointed as an Independent Director of the Company at the 68th Annual General Meeting of the Company and who holds office of the Independent Director up to 7th August, 2019 and who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director, be re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing from 8th August, 2019 to 30th April, 2024.”

7. Re-appointment of Mr. Vikram Singh Mehta as an Independent Director

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

“RESOLVED that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Vikram Singh Mehta (DIN: 00041197), who was appointed as an Independent Director of the Company at the 68th Annual General Meeting of the Company and who holds office of the Independent Director up to 7th August, 2019 and who is eligible for being re-appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director, be re-appointed as an

Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of five consecutive years commencing from 8th August, 2019 to 7th August, 2024.”

8. Appointment of Mr. Vijay Kumar Sharma as a Non-Executive Non-Independent Director

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

“RESOLVED that pursuant to the provisions of section 152 and all other applicable provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Vijay Kumar Sharma (DIN: 02449088), who was appointed by the Board of Directors as an Additional Non-Executive Non-Independent Director of the Company representing Life Insurance Corporation of India on the Board of Directors of the Company, with effect from 14th November, 2018 under section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting of the Company in terms of section 161 of the Companies Act, 2013 and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director of the Company, being so eligible, be appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation.”

9. Appointment of Mr. Haigreve Khaitan as an Independent Director

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

“RESOLVED that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Mr. Haigreve Khaitan (DIN: 00005290), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing his candidature

for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 8th August, 2019 to 7th August, 2024.”

10. Appointment of Ms. Shikha Sharma as an Independent Director

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

“RESOLVED that pursuant to the provisions of sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013, Companies (Appointment and Qualifications of Directors) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], Ms. Shikha Sharma (DIN: 00043265), who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Companies Act, 2013 proposing her candidature for the office of Director of the Company, being so eligible, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of five consecutive years commencing from 8th August, 2019 to 7th August, 2024.”

Notes:

A. The Explanatory Statement as required under section 102 of the Companies Act, 2013 (“the Act”) is annexed hereto. Further, additional information with respect to Item No. 4 is also annexed hereto.

Messrs B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 71st Annual General Meeting held on 4th August, 2017. Pursuant to Notification issued by the Ministry of Corporate Affairs on 7th May, 2018 amending section 139 of the Act and the Rules framed thereunder, the mandatory requirement for ratification of appointment of Auditors by the Members at every Annual General Meeting (“AGM”) has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.

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

- C. The instrument appointing a proxy must be deposited, either in person or through post, with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
- D. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.
- E. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) are Karvy Fintech Private Limited (Karvy) having their office at Karvy Selenium Tower B, Plot number 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032.
- F. The Register of Members and Transfer Books of the Company will be closed from Saturday, 20th July, 2019 to Wednesday, 7th August, 2019 (both days inclusive).
- G. The dividend, if declared at the Annual General Meeting, would be paid after 7th August, 2019 to those persons or their mandates:
- whose names appear as Beneficial Owners as at the end of the business hours on Friday, 19th July, 2019 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and
 - whose names appear as Members in the Register of Members of the Company as at the end of the business hours on Friday, 19th July, 2019 after giving effect to:
 - valid request(s) received for transmission/transposition of shares and
 - valid requests of transfer of shares in physical form (re-lodgment cases i.e. requests for transfer(s) which were received prior to 1st April, 2019 and returned due to deficiency in the documents) lodged with the Company/its Registrar & Share Transfer Agents on or before Friday, 19th July, 2019.
- H. Under the Act, dividends that are unclaimed/unpaid for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. An amount of Rs. 2,14,70,230 being unclaimed/unpaid dividend of the Company for the financial year ended 31st March, 2011 was transferred in September, 2018 to IEPF. Last date for claiming unclaimed and unpaid dividends declared by the Company for the financial year 2011-12 and thereafter is as under:

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid/unclaimed dividend
31 st March, 2012	8 th August, 2012	6 th September, 2019
31 st March, 2013	13 th August, 2013	11 th September, 2020
31 st March, 2014	8 th August, 2014	7 th September, 2021
31 st March, 2015	7 th August, 2015	8 th September, 2022
31 st March, 2016	10 th August, 2016	8 th September, 2023
31 st March, 2017	4 th August, 2017	2 nd September, 2024
31 st March, 2018	7 th August, 2018	5 th September, 2025

Members who have not encashed the dividend warrants so far in respect of the aforesaid periods, are requested to make their claim to Karvy well in advance of the above due dates. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 7th August, 2018 (date of last Annual General Meeting) on the website of the Company at <https://www.mahindra.com> and also on the website of the Ministry of Corporate Affairs.

Further, pursuant to the provisions of section 124 of the Act read with IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

In accordance with the aforesaid IEPF Rules, the Company has sent notice to all the Shareholders whose shares are due for transfer to the IEPF Authority and has also published notice in newspapers.

The Shareholders whose dividend/shares is/will be transferred to the IEPF Authority can claim the same from the IEPF Authority by following the procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>

- I. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to Karvy at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
- J. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories and the bank account details maintained by the Registrar and Transfer Agents for payment of dividend to Members electronically. The Company has extended the facility of electronic credit of dividend directly to the respective bank accounts of the Member(s) through the Electronic Clearing Service (ECS)/National Electronic Clearing Service (NECS)/Real Time Gross Settlement (RTGS)/Direct Credit, etc.

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

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

- K. SEBI has vide its Notifications dated 8th June, 2018 and 30th November, 2018 mandated that securities of listed companies can be transferred only in dematerialised form from 1st April, 2019. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form.
- L. Pursuant to sections 101 and 136 of the Act read with the Rules framed thereunder, the Notice calling the Annual General Meeting along with the Annual Report 2018-19 would be sent by electronic mode to

those Members whose e-mail addresses are registered with the Depository or the Company/Karvy, unless the Members have requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.

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

- M. Members are requested to:
- intimate to Karvy, changes, if any, in their registered addresses at an early date, in case of Shares held in physical form;
 - intimate to the respective Depository Participant, changes, if any, in their registered addresses at an early date, in case of Shares held in dematerialised form;
 - quote their folio numbers/Client ID/DP ID in all correspondence;
 - consolidate their holdings into one folio in case they hold Shares under multiple folios in the identical order of names; and
 - register their Permanent Account Number (PAN) with their Depository Participants, in case of Shares held in dematerialised form and Karvy/ Company, in case of Shares held in physical form, as directed by SEBI.
- N. Members are requested to bring their copy of the Annual Report to the Annual General Meeting.
- O. Members/Proxies/Representatives are requested to bring the Attendance Slip enclosed in the Annual Report for attending the Meeting.
- P. Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

Q. PROCEDURE FOR REMOTE E-VOTING

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

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

Instructions:

A. In case a Member receives an e-mail from Karvy [for Members whose e-mail IDs are registered with the Company/Depository Participant(s)] which includes details of E-Voting Event Number (EVEN), USER ID and password:

- (i) Launch internet browser by typing the URL: <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can login by using your existing User ID and password for casting your vote.
- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVENT" i.e. Mahindra & Mahindra Limited.

(vii) On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

(viii) Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

(ix) Members holding multiple folios/ demat accounts shall vote separately for each folio/demat account.

(x) You may then cast your vote by selecting an appropriate option and click on "Submit".

(xi) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote.

(xii) Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail ID sbhagwatcs@yahoo.co.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "**Corporate Name_EVEN**".

If the authorized representative intends to vote through remote e-voting, the certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorized representative(s) should reach the Scrutiniser not later than Tuesday, 6th August, 2019 (5:00 p.m. IST). In case if the authorized representative attends

the Meeting in person, the above mentioned documents shall be submitted before the commencement of AGM.

- B. In case a Member receives physical copy of the Notice of AGM [for Members whose e-mail IDs are not registered with the Company/ Depository Participant(s)]:
- (i) EVEN, User ID and Initial Password is provided in the Attendance Slip.
 - (ii) Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

III. OTHER INSTRUCTIONS:

- a. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download Section of <https://evoting.karvy.com> (Karvy Website) or contact at investors@mahindra.com, or Mr. Prem Kumar M., Manager, Karvy at Karvy Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@karvy.com or on phone No.: 040-6716 1500 or call Karvy's toll free No.: 1800-3454-001 for any further clarifications.
- b. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on Friday, 2nd August, 2019 (9:00 a.m. IST) and ends on Tuesday, 6th August, 2019 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date Wednesday, 31st July, 2019 may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- d. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on Wednesday, 31st July, 2019, being the cut-off date. Members are eligible to cast vote only if they are holding shares as on that date.

- e. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-Voting, i.e. Wednesday, 31st July, 2019, he/she/it may obtain the User ID and Password in the manner as mentioned below:

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

Example for NSDL:
MYEPWD <SPACE> IN12345612345678

Example for CDSL:
MYEPWD <SPACE> 1402345612345678

Example for Physical:
MYEPWD <SPACE> XXXX1234567890
(XXXX being EVEN)

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

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

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

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

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

Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the

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

Procedure of Web Check-in is as under:

- a. Log on to <https://karisma.karvy.com> and click on "Web Check-in for General Meetings (AGM/EGM/CCM)".
- b. Select the name of the Company: Mahindra and Mahindra Limited.
- c. Pass through the security credentials viz., DP ID/Client ID/Folio no. entry, PAN & "CAPTCHA" as directed by the system and click on the submission button.
- d. The system will validate the credentials. Then click on the "Generate my attendance slip" button that appears on the screen.
- e. The attendance slip in PDF format will appear on the screen. Select the "PRINT" option for direct printing or download and save for the printing.
- f. A separate counter will be available for the online registered Members at the AGM Venue for faster and hassle free entry and to avoid standing in the queue.
- g. After registration, a copy will be returned to the Member.
- h. The Web Check-in (Online Registration facility) is available for AGM during remote e-voting period only i.e. from Friday, 2nd August, 2019 (9:00 a.m. IST) to Tuesday, 6th August, 2019 (5:00 p.m. IST). The Members are requested to carry their valid photo identity along with the above attendance slip for verification purpose.

T. Webcast:

Your Company will be providing the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on the e-voting website of Karvy at <https://evoting.karvy.com> using their secure login credentials. Members are encouraged to use this facility of webcast.

During the live webcast of AGM, Members may post their queries in the message box provided on the screen.

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

V. KPRISM – Mobile service application by Karvy:

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

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

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

By Order of the Board

NARAYAN SHANKAR
Company Secretary

Registered Office:

Gateway Building, Apollo Bunder,
Mumbai – 400 001.

CIN : L65990MH1945PLC004558

e-mail : investors@mahindra.com

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

Tel. : +91 22 22895500

Fax : +91 22 22875485

Mumbai, 12th June, 2019

Additional Information with respect to Item No. 4

ITEM NO. 4:

Dr. Pawan Goenka (DIN: 00254502), the Managing Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment.

He has earned his B.Tech in Mechanical Engineering from I.I.T., Kanpur and Ph.D. from Cornell University, U.S.A. He is also a Graduate of Advanced Management Program from Harvard Business School. He worked at General Motors R&D Centre in Detroit, U.S.A. from 1979 to 1993. Thereafter, he joined Mahindra & Mahindra Limited, as General Manager (R&D). During his R&D tenure he led the development of the Scorpio SUV. He was appointed COO (Automotive Sector) in April, 2003, President (Automotive Sector) in September, 2005 and President (Automotive & Farm Equipment Sectors) in April, 2010.

Dr. Pawan Goenka was first appointed as an Executive Director and President (AFS) on the Board of the Company on 23rd September, 2013, Executive Director and Group President (AFS) in April, 2015, and Managing Director of Mahindra & Mahindra Limited, in November, 2016. Dr. Goenka is also a member of the Group Executive Board and serves on the Board of several Mahindra Group companies.

Dr. Pawan Goenka received the Extraordinary Accomplishment Award from General Motors in 1986, the Burt L. Newkirk Award for the year 1987, the Charles L. McCuen Achievement Award from General Motors for the years 1985 and 1991, an Outstanding International Advisor Award from SAE in 1997, and a Distinguished Alumni Award from I.I.T., Kanpur in 2004. He received the Engineering Excellence Award 2012 from SAE India Foundation. He is a Fellow of SAE International and of The Indian National Academy of Engineers. He was also awarded Honorary Fellowship from Institution of Mechanical Engineers in December, 2017.

In January, 2011, Dr. Pawan Goenka was honoured with the Automotive Man of the Year award at the NDTV Car & Bike Awards. In December, 2011, Dr. Goenka featured as Autocar Professional's Man of the Year 2011. He was conferred the 'CV Man of the Year' award at the annual Apollo CV Awards 2012 in recognition of his extensive contribution within the automotive industry in India and globally.

Dr. Pawan Goenka was conferred with the Doctor of Science (honoris causa) by I.I.T., Kanpur in 2015 and has been awarded the 2016 FISITA Medal of Honour,

which is bestowed for his 'Particularly Distinguished Achievement and Leadership in The Global Automotive Industry' and is the first Indian to receive this prestigious recognition.

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

Dr. Pawan Goenka has completed 64 years of age. Dr. Pawan Goenka is the Chairman of Mahindra Vehicle Manufacturers Limited, Mahindra Electric Mobility Limited, Mahindra Agri Solutions Limited, Mahindra & Mahindra South Africa (Pty.) Limited, Mahindra USA Inc., SsangYong Motor Company, Mahindra Racing UK Limited, Mahindra Automotive North America Inc. and Mitsubishi Mahindra Agricultural Machinery Co. Limited. He is the Managing Director of Mahindra & Mahindra Limited and is also on the Boards of Mahindra First Choice Wheels Limited, Swaraj Engines Limited, New Democratic Electoral Trust and Classic Legends Private Limited.

During the year 1st April, 2018 to 31st March, 2019, five Board Meetings of the Company were held, and Dr. Goenka had attended all Board Meetings of the Company.

Dr. Goenka is a Chairman/Member of the following Board Committees, as indicated below:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Mahindra & Mahindra Limited	Risk Management Committee	Chairman
		Loans & Investment Committee	Member
		Stakeholders Relationship Committee	Member
		Research and Development Committee	Member
		Corporate Social Responsibility Committee	Member
2.	Mahindra Vehicle Manufacturers Limited	Strategic Investments Committee	Chairman
		Corporate Social Responsibility Committee	Member
		Nomination and Remuneration Committee	Member

Sr. No.	Name of the Company	Name of the Committee	Position held
3.	Mahindra Electric Mobility Limited	Nomination and Remuneration Committee	Member
4.	Ssangyong Motor Company	Management Committee	Chairman
		Outside Director Candidate Recommendation Committee	Member
5.	Mahindra Agri Solutions Limited	Nomination and Remuneration Committee	Member
6.	Classic Legends Private Limited	Nomination and Remuneration Committee	Chairman

The terms and conditions of re-appointment and remuneration of Dr. Goenka would be governed by the terms and conditions approved by the Members of the Company at the Annual General Meeting held on 4th August, 2017. The remuneration paid to Dr. Goenka during the Financial Year 2018-19 is Rs. 1,219.22 lakhs.

Dr. Goenka holds 79,188 Ordinary (Equity) Shares in the Company. Dr. Goenka is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

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

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

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

ITEM NO. 5:

The Board of Directors, at its Meeting held on 29th May, 2019, upon the recommendation of the Audit Committee, approved the appointment of Messrs D. C. Dave & Co., Cost Accountants having Firm Registration Number 000611, as Cost Auditors of the Company for conducting the audit of the cost records of the Company, for the Financial Year ending 31st March, 2020, at a remuneration of Rs. 8,00,000 (Rupees Eight Lakhs only) (plus Goods and Services Tax and reimbursement of out of pocket expenses).

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

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for conducting the audit of the cost records of the Company for the Financial Year ending 31st March, 2020.

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

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

ITEM NOS. 6 and 7:

Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta were appointed as Independent Directors on the Board of your Company pursuant to the provisions of section 149 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges, by the Shareholders at the 68th Annual General Meeting ("AGM") of the Company held on 8th August, 2014. They hold office as Independent Directors of the Company up to 7th August, 2019 ("first term" in line with the explanation to Sections 149(10) and 149(11) of the Act).

Brief details of Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta are mentioned below:

- **Dr. Vishakha N. Desai:**

Dr. Vishakha N. Desai is the recipient of five honorary degrees and holds a B.A. in Political Science from Bombay University and an M.A. and Ph.D. in Asian Art History from the University of Michigan.

Dr. Vishakha N. Desai was first appointed as a Director on the Board of the Company on 30th May, 2012.

Dr. Vishakha N. Desai is Senior Advisor for Global Affairs to the President of Columbia University in the city of New York, Vice-Chair of Columbia's Committee on Global Thought, and Senior Research Scholar in Global Studies at its School of International and Public Affairs. From 1990 to 2012, Dr. Vishakha N. Desai held a variety of positions at the Asia Society, initially as the Director of the Asia Society Museum and for the last eight years as President and CEO. Under her leadership as President, she expanded the Society's reach in Asia through innovative programs and through the establishment of new centers in the region.

Dr. Vishakha N. Desai is a Trustee of the Doris Duke Charitable Foundation and Chair of the Board of Trustees of AFS Intercultural Programs. She also serves as a member of the Board of Directors of Teach For All, the Social Science Research Council, on the Governing Council of the newly established KREA University, and is currently Vice Chair of the Advisory Board for the Smithsonian's Asian Pacific American Center. In previous years, she has served as the President of the Association of Art Museum Directors and has been on numerous other boards and advisory committees of both national and international not-for-profit organizations including but not limited to the Solomon R. Guggenheim Foundation, Brookings Institution, Bertelsmann Foundation, Auroville Foundation of India and the House of World Cultures in Berlin.

In addition to several publications, Dr. Vishakha N. Desai is also a frequent contributor to newspapers and magazines in both the US and Asia.

Dr. Vishakha N. Desai has completed 70 years of age. Apart from Mahindra & Mahindra Limited, Dr. Vishakha N. Desai is not a Director in any other company.

Dr. Vishakha N. Desai is a Chairperson/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Mahindra & Mahindra Limited	Corporate Social Responsibility Committee	Chairperson
		Stakeholders Relationship Committee	Member

Dr. Vishakha N. Desai holds 5,000 Ordinary (Equity) Shares in the Company.

During the year 1st April, 2018 to 31st March, 2019, five Board Meetings of the Company were held, and Dr. Vishakha N. Desai had attended all Board Meetings of the Company.

Dr. Vishakha N. Desai would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, she would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

The sitting fees paid to Dr. Vishakha N. Desai during the Financial Year 2018-19 is Rs. 6.70 lakhs. The commission paid to her for the Financial Year 2017-18 is Rs. 36 lakhs. For Financial Year 2018-19, Commission payable to Dr. Vishakha N. Desai will be Rs. 36 lakhs.

The perquisite value of ESOPs exercised by Dr. Vishakha N. Desai during the year is Rs. 30.30 lakhs. These ESOPs were granted to her in the year 2012, i.e., prior to the Companies Act, 2013 and the amendments made to the erstwhile Clause 49 of the Listing Agreement, restricting grant of ESOPs to Independent Directors. SEBI in November, 2015 had clarified that Independent Directors can exercise their ESOPs provided they were granted to them prior to the aforesaid provisions coming into force.

- **Mr. Vikram Singh Mehta:**

Mr. Vikram Singh Mehta completed his Bachelor's Degree in Mathematics (Hons.) from St. Stephens College, Delhi University. He has a Master's Degree in Politics and Economics (Hons.) from Magdalen College, Oxford University, UK and a Master's Degree in Energy Economics from the Fletcher School of Law and Diplomacy, Tufts University in USA.

Mr. Vikram Singh Mehta was first appointed as a Director on the Board of the Company on 30th May, 2012.

Mr. Vikram Singh Mehta was until November, 2012 Chairman of the Shell Group of Companies in India. Mr. Vikram Singh Mehta's career began as a Member

of the Indian Administrative Service of the Government of India in 1978.

Mr. Mehta is the recipient of Asia House (London), “Businessmen of the Year” Award 2010; Member, Board of Governors – Pandit Deendayal Petroleum University and Member, Board of Overseers – Fletcher School of Law and Diplomacy, Tufts University. He was the former Chairman, Young Peoples Award Programme India (erstwhile Duke of Edinburgh’s Award) and Member, Board of Governors, Indian Public Schools’ Society. He has a monthly column “Over the Barrel” in the Indian Express and Financial Express.

Mr. Vikram Singh Mehta has completed 66 years of age. Mr. Vikram Singh Mehta is the Director on the Boards of Colgate-Palmolive (India) Limited, HT Media Limited, Apollo Tyres Limited, Larsen and Toubro Limited, Jubilant Food Works Limited, N V Advisory Services Private Limited and L&T Hydrocarbon Engineering Limited. He is also a designated partner of TMA Estates LLP.

Mr. Vikram Singh Mehta is a Chairman/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Mahindra & Mahindra Limited	Governance, Nomination and Remuneration Committee	Member
		Corporate Social Responsibility Committee	Member
		Strategic Investment Committee	Member
		Loans & Investment Committee	Member
2.	Larsen and Toubro Limited	Corporate Social Responsibility Committee	Chairman
3.	L&T Hydrocarbon Engineering Limited	Corporate Social Responsibility Committee	Member
		Nomination and Remuneration Committee	Member
4.	Colgate-Palmolive (India) Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Risk Management Committee	Member
5.	Jubilant Food Works Limited	Stakeholders Relationship Committee	Chairman
		Audit Committee	Member
		Nomination, Remuneration and Compensation Committee	Member
		Risk Management Committee	Member
6.	HT Media Limited	Audit Committee	Member

Mr. Vikram Singh Mehta holds 20,000 Ordinary (Equity) Shares in the Company.

During the year 1st April, 2018 to 31st March, 2019, five Board Meetings of the Company were held, and Mr. Vikram Singh Mehta had attended all Board Meetings of the Company.

Mr. Vikram Singh Mehta would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, he would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

The sitting fees paid to Mr. Vikram Singh Mehta during the Financial Year 2018-19 is Rs. 14 lakhs. The commission paid to him for the Financial Year 2017-18 is Rs. 30 lakhs. For Financial Year 2018-19, Commission payable to Mr. Vikram Singh Mehta will be Rs. 30 lakhs.

The Governance, Nomination and Remuneration Committee at its Meeting held on 28th May, 2019 on the basis of performance evaluation of Independent Directors and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta during their tenure, has recommended to the Board that continued association of Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta as Independent Directors of the Company would be beneficial to the Company.

Based on the above and the performance evaluation of Independent Directors, the Board recommends the re-appointment of Dr. Vishakha N. Desai (DIN: 05292671) and Mr. Vikram Singh Mehta (DIN: 00041197), as Independent Directors of the Company, not liable to retire by rotation, to hold office for a second term, as under:

Sr. No.	Name of the Director	Period of second term
1.	Dr. Vishakha N. Desai	For a further period commencing from 8 th August, 2019 to 30 th April, 2024*
2.	Mr. Vikram Singh Mehta	For a further period of five consecutive years commencing from 8 th August, 2019 to 7 th August, 2024

*Dr. Vishakha N. Desai will be attaining 75 years of age on 1st May, 2024 and hence her tenure is up to 30th April, 2024.

The performance evaluation of Independent Directors were based on various criteria, inter-alia, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a

constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc.

Copies of the draft letters of appointment of Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta setting out terms and conditions of appointment are available for inspection by the Members in physical or electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at Mahindra Towers, 5th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai – 400 018 as well as during the AGM at the venue thereof.

Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta are not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as Directors.

The Company has received declarations from Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta stating that they meet the criteria of independence as prescribed under sub-section (6) of section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

In the opinion of the Board, Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta, fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta are independent of the management.

The Company has received notices in writing from a Member under section 160 of the Act, proposing the candidature of Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta, for the office of Director of the Company.

Save and except Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta, and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item Nos. 6 and 7 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

The Board recommends the Special Resolutions set out at Item Nos. 6 and 7 of the Notice for approval of the Members.

ITEM NO. 8:

The Board of Directors of the Company, pursuant to the recommendation of the Governance, Nomination and Remuneration Committee has appointed Mr. Vijay Kumar Sharma (DIN: 02449088) as an Additional Non-Executive Non-Independent Director of the Company representing Life Insurance Corporation of India with effect from 14th November, 2018. He holds office upto the date of the ensuing Annual General Meeting pursuant to section 161 of the Companies Act, 2013 ("the Act") and Article 107 of the Articles of Association of the Company.

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

Mr. Vijay Kumar Sharma is a post-graduate (M.Sc.) in Botany from Patna University. Mr. Sharma joined Life Insurance Corporation of India ("LIC") as Direct Recruit Officer in 1981 and has grown with LIC since then. He held various challenging assignments pan India and in all operational streams including in-charge positions at different levels. Working across length and breadth of the country has added immensely to his experience and honed his understanding of demographics of the country, socioeconomic needs of different regions and multi-cultural challenges in implementation of LIC's objectives.

Mr. Vijay Kumar Sharma superannuated as Chairman of LIC on 31st December, 2018. Prior to his taking over as Chairman on 16th December, 2016, he served as a Chairman (In charge) from 16th September, 2016 and Managing Director, Life Insurance Corporation of India from 1st November, 2013. From December 2010 to November 2013, he served as a Managing Director & Chief Executive Officer, LIC Housing Finance Limited (LICHFL), a premiere housing finance company in the country. As MD & CEO of LICHFL, he stabilized the operations under most challenging circumstances of negative media glare, intense scrutiny by Regulator & others and turned it around to be the best Housing Finance Company in 2011.

He has been an inspirational leader who utilizes negotiation skills gained over thirty seven years of extensive experience in insurance and financial sectors and strongly connects to the grass root levels, believes in bottom-up approach and has the ability to see the Big Picture and translate it to reality. He is known as Growth Leader, leading

the Organisation to surge ahead and turnaround on its growth path in all the segments of performance. Mr. Vijay Kumar Sharma was also Chairman of LIC Housing Finance Ltd, LIC (International) B S C (C) Bahrain, Life Insurance Corporation Singapore Pte. Ltd. and other companies. He was also Director on Boards of Kenindia Assurance Co. Ltd and ICICI Bank Limited.

Mr. Vijay Kumar Sharma has completed 60 years of age. Mr. Vijay Kumar Sharma is the Director on the Boards of ACC Limited and Tata Steel Limited.

Mr. Vijay Kumar Sharma is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	ACC Limited	Corporate Social Responsibility Committee	Member
		Risk Committee	Member
2.	Tata Steel Limited	Stakeholders Relationship Committee	Chairman
		Safety, Health and Environment Committee	Member

Mr. Vijay Kumar Sharma does not hold any Ordinary (Equity) Shares in the Company.

Mr. Vijay Kumar Sharma had attended all three Board Meetings of the Company in the financial year 2018-19, post his appointment as an Additional Director of the Company.

Mr. Vijay Kumar Sharma would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, he would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

Sitting fees was paid to Life Insurance Corporation of India upto 31st December, 2018 and thereafter to Mr. Vijay Kumar Sharma. Further, the commission is payable to Life Insurance Corporation of India. The sitting fees paid during the Financial Year 2018-19 is Rs. 3 lakhs. No commission was paid for the Financial Year 2017-18. For Financial Year 2018-19, Commission payable will be Rs. 10.21 lakhs.

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

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

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

Save and except Mr. Vijay Kumar Sharma, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 8 of the Notice. None of the Directors and KMP of the Company are inter-se related to each other.

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

ITEM NOS. 9 & 10:

The Board of Directors of the Company, pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, has proposed to the Members of the Company, the appointments of Mr. Haigreve Khaitan (DIN: 00005290) and Ms. Shikha Sharma (DIN: 00043265) as Independent Directors on the Board of the Company, not liable to retire by rotation, who shall hold office for a term of five consecutive years commencing from 8th August, 2019 to 7th August, 2024.

The Company has received notice in writing from a Member under section 160 of the Companies Act, 2013 ("the Act") proposing the candidature of Mr. Haigreve Khaitan and Ms. Shikha Sharma for the office of Director of the Company.

Brief details of Mr. Haigreve Khaitan and Ms. Shikha Sharma are mentioned below:

- **Mr. Haigreve Khaitan:**

Mr. Haigreve Khaitan has done his LL.B. from South Kolkata Law College. Mr. Haigreve Khaitan is a Partner of Khaitan & Co. Mr. Haigreve Khaitan started his career in litigation and over the years has been involved in

many M&A and private equity transactions, as well as project finance transactions.

Mr. Haigreve Khaitan has rich experience in all aspects of M&A – due diligence, structuring, documentation involving listed companies, cross-border transactions, medium and small businesses etc., Restructuring – such as advice and documentation involving creditors restructuring, sick companies, de-mergers, spin-offs, sale of assets etc., Foreign Investment, Joint Ventures and Foreign Collaborations. He advises a range of large Indian conglomerates and multinational clients in various business sectors including infrastructure, power, telecom, automobiles, steel, software and information technology, retail, etc.

Mr. Haigreve Khaitan is consistently recommended by many of the world’s leading law chambers and accreditation bodies. Chambers and Partners have ranked him as “Star Individual” for M&A and an “Eminent Practitioner” for Private Equity. Legal 500 has recommended him as a “Leading expert” for Corporate and M&A. IFLR 1000 ranks him as a “Market Leading” lawyer for Corporate M&A. He is ranked amongst top 100 lawyers in India by India Business Law Journal (IBLJ) through an independent survey of General Counsels.

Mr. Haigreve Khaitan has completed 48 years of age. He is on the Board of Ceat Limited, Torrent Pharmaceuticals Limited, JSW Steel Limited, Gujarat Borosil Limited, Mahindra Holdings Limited, Aditya Birla Sun Life Insurance Company Limited, AVTEC Limited, Inox Leisure Limited and Wevin Private Limited and often speaks at various industry events.

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

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Inox Leisure Limited	Audit Committee	Chairman
		Compensation & Remuneration Committee	Chairman
2.	JSW Steel Limited	Audit Committee	Member
		Share Allotment Committee	Member
		JSWSL ESOP Committee	Member
3.	Torrent Pharmaceuticals Limited	Securities Transfer and Stakeholders Relationship Committee	Chairman
		Audit Committee	Member

Sr. No.	Name of the Company	Name of the Committee	Position held
4.	AVTEC Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
5.	Aditya Birla Sun Life Insurance Company Limited	Audit Committee	Chairman
		Risk Management Committee	Member
6.	Mahindra Holdings Limited	Audit Committee	Member

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

• **Ms. Shikha Sharma:**

Ms. Shikha Sharma holds Post Graduate Diploma in Management from IIM, Ahmedabad, Post Graduate Diploma in Software Technology from National Center for Software Technology and B.A. (Hons.) in Economics.

Ms. Shikha Sharma was the Managing Director & CEO of Axis Bank, India’s third largest private sector bank, from June, 2009 to December 2018. During her tenure as Managing Director & CEO, Axis Bank witnessed multiple growth in the network, market capitalization & in consumer lending business and transformed Axis Bank into a digital leader in mobile banking and digital payments.

Ms. Shikha Sharma was the founder Managing Director & CEO of ICICI Personal Financial Services from May, 1998 to December, 2000, during which she founded ICICI Bank’s retail lending business. She was a founding team member of ICICI Securities in joint venture with JP Morgan.

Ms. Shikha Sharma was the Managing Director and CEO of ICICI Prudential Life Insurance Company from December, 2000 to June, 2009 during which she founded and scaled the largest private life insurance company in India.

Ms. Shikha Sharma has deep understanding of business through data and analytics and has ability to build businesses on customer insight and tech execution as well as hire, groom and develop strong leaders.

Ms. Shikha Sharma featured in the 50 most powerful women in Business by Fortune, Top 20 women in finance by Finance Asia and as Banker of the Year by Business Standard. She has also received AIMA JRD Tata Corporate Leadership and Outstanding Businesswoman of the Year by CNBC TV18 Awards.

Ms. Shikha Sharma has completed 60 years of age. Ms. Shikha Sharma is on the Board of Dr Reddy's Laboratories Limited, Ambuja Cements Limited and Tata Global Beverages Limited. She is also an advisor to KKR & Co. Inc., and a member of Board of Governors of IIM, Lucknow and Advisory Board of Bridgespan.

Ms. Shikha Sharma is a Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Dr. Reddy's Laboratories Limited	Audit Committee	Member
		Risk Management Committee	Member
2.	Ambuja Cements Limited	Audit Committee	Member

Ms. Shikha Sharma does not hold any Ordinary (Equity) Shares in the Company.

Mr. Haigreve Khaitan and Ms. Shikha Sharma would be entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, they would be entitled to commission as determined each year by the Board of Directors within the limits approved by the Members of the Company for the Non-Executive Directors of the Company.

Mr. Haigreve Khaitan and Ms. Shikha Sharma are not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consents to act as a Director. The Company has received declarations from Mr. Haigreve Khaitan and Ms. Shikha Sharma stating that they meet with the criteria of independence as prescribed under sub-section (6) of section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. Haigreve Khaitan and Ms. Shikha Sharma are not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

In the opinion of the Board, Mr. Haigreve Khaitan and Ms. Shikha Sharma, fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Mr. Haigreve Khaitan and Ms. Shikha Sharma are independent of the management.

Copies of the draft letters of appointment of Mr. Haigreve Khaitan and Ms. Shikha Sharma setting out terms and conditions of appointment are available for inspection by the Members in physical or electronic form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM) and copies thereof shall also be made available for inspection in physical or electronic form at the Corporate Office of the Company situated at Mahindra Towers, 5th Floor, Dr. G. M. Bhosale Marg, Worli, Mumbai – 400 018 as well as during the AGM at the venue thereof.

The Board is of the view that Mr. Haigreve Khaitan and Ms. Shikha Sharma's knowledge and experience will be of immense benefit and value to the Company and, therefore, recommends their appointment to the Members.

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

The Board recommends the Ordinary Resolutions set out at Item Nos. 9 and 10 of the Notice for approval of the Members.

By Order of the Board
NARAYAN SHANKAR
Company Secretary

Registered Office:

Gateway Building, Apollo Bunder,
Mumbai – 400 001.

CIN : L65990MH1945PLC004558

e-mail : investors@mahindra.com

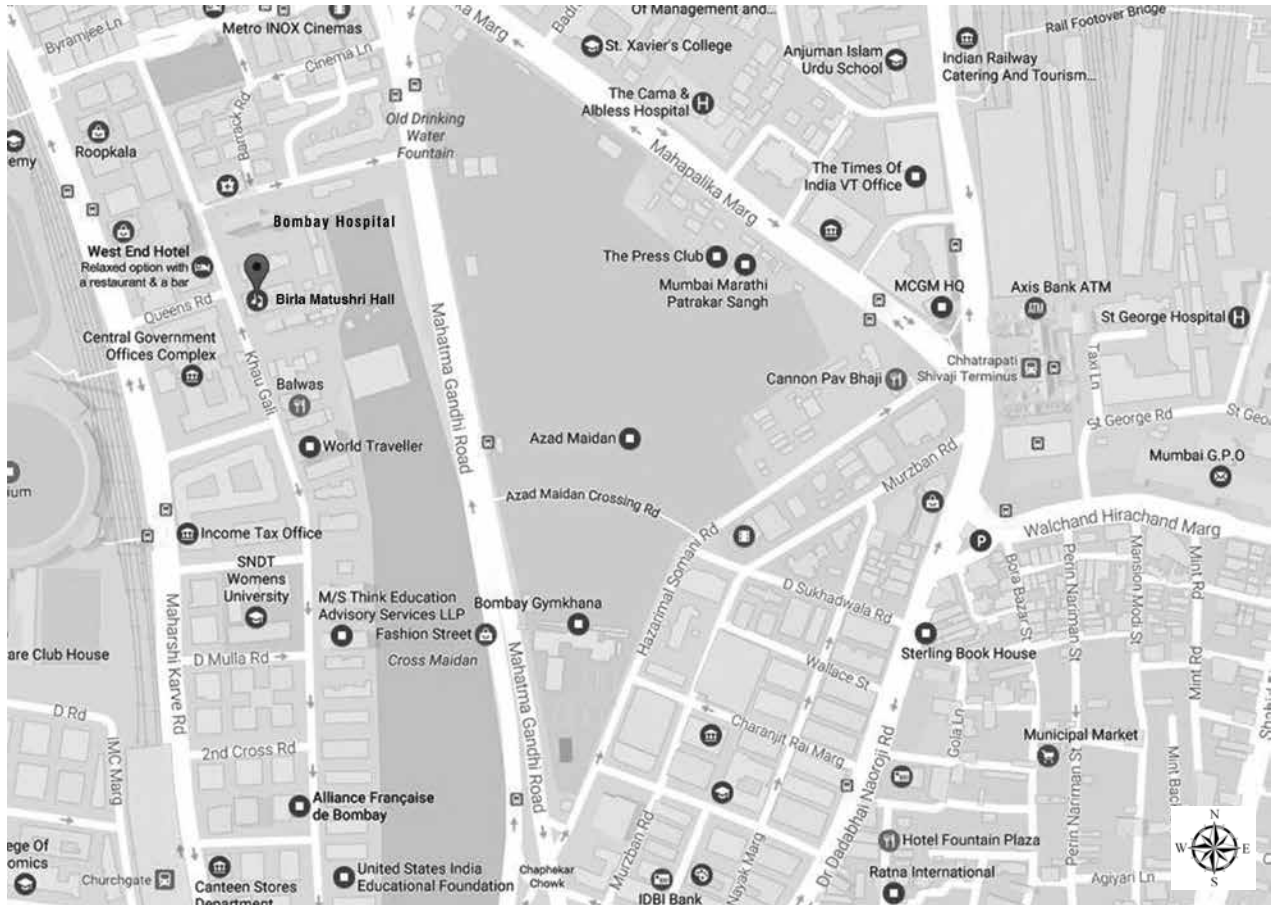
Website : <https://www.mahindra.com>

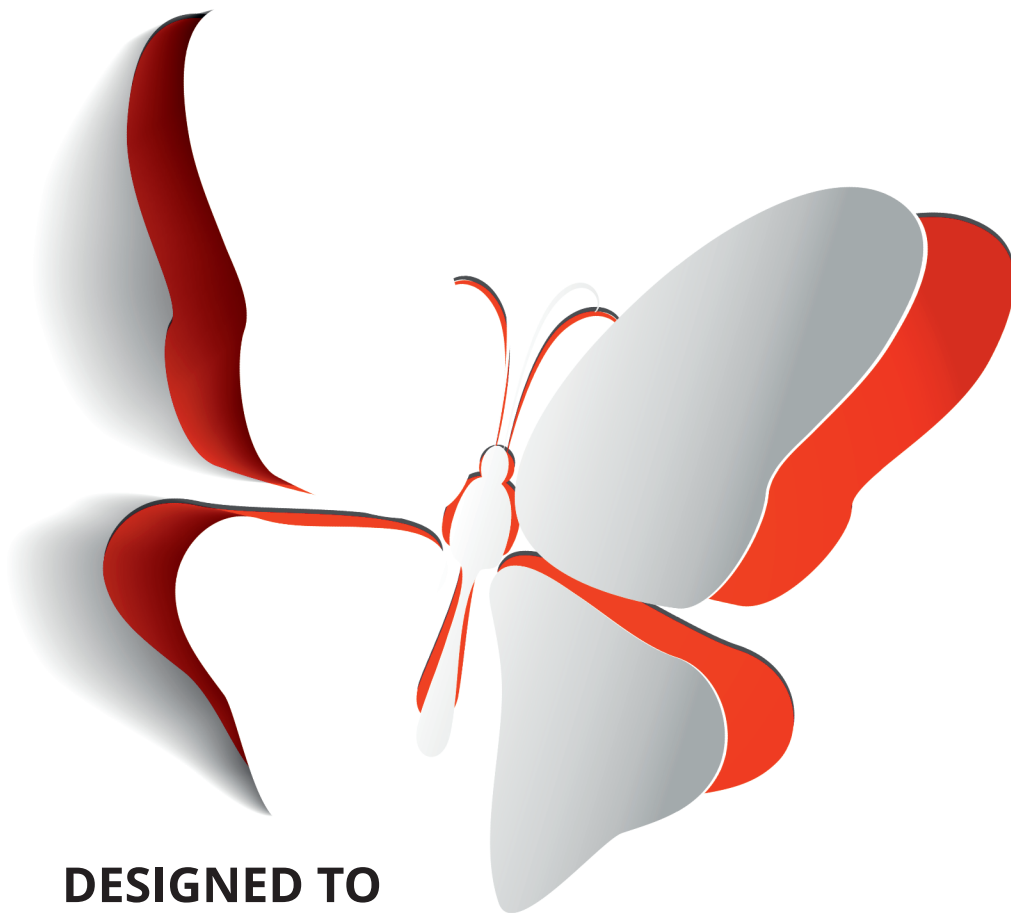
Tel. : +91 22 22895500

Fax : +91 22 22875485

Mumbai, 12th June, 2019

Route Map to the venue of the AGM





DESIGNED TO

Rise.

While it is well-acknowledged that

design is a key driver of product success at the Mahindra Group,

what often goes unnoticed is the

vital role played by our unique organisational design in our sustained business success.

We are designed as a federation of companies, with each company being empowered with strategic and operational freedom. This enables our people to spot opportunities early, innovate fast, adapt quickly and create significant value for customers and investors.

The evolution of our group business portfolio mirrors the evolution of India's aspiration. In its first phase, the company focussed on nation building with Tractors and Utility Vehicles. As India moved to the next phase of growth and evolution of its consumers, Mahindra took on the responsibility of creating ecosystems for this growth through the launch of enabling businesses like Financial Services and IT Services. In line with the growing aspirations of the Indian consumer, the Group carefully curated its business portfolio to include aspirational businesses like Hospitality and Real Estate, to name a few. As India's position on the global map is gaining prominence, Mahindra has also been in the forefront of the same by increasing its global presence.

Not only does this approach unlock growth and innovation, the nuanced design and strong interlinked ecosystem make Mahindra resilient, and lend us the capability to successfully combat the periodic headwinds that come our way.



This year's cover visually depicts that while the industry faces similar challenges due to the macro-environment, **we at Mahindra are built differently and will continue to Rise.**

Just like a butterfly, we are adept at transforming into a future-ready organisation managing not only the disruptive business environment, but also taking leadership in addressing the rising concerns regarding the natural environment.

This change can be witnessed across multiple facets of Mahindra. Be it our product mix which now includes EVs, Premium and Compact SUVs, an entire range of CVs and Farm Machinery, or innovative businesses like Glyd. Even our manufacturing processes are being constantly upgraded to match the best in the world including Industry 4.0. Businesses are adopting Science Based Targets and Mahindra Research Valley is continuously innovating to create global standards.

The unflinching Mahindra values of good governance, future-readiness, deep customer connect, and true federalism are, and will always be, the wind beneath our wings.

It is this strategic organisational design which ensures consistency of key values and enables us to create and share value, consistently and sustainably.

DESIGNED TO

Rise.

C o n t e n t s

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- Performance Highlights

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

The Digital Annual Review F19 will also be made available at: www.mahindra.com/investors

ANNOUNCEMENT

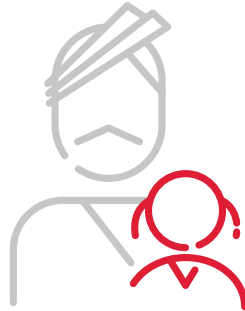
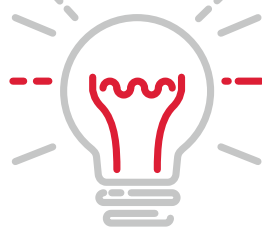
We embarked on our journey of Integrated Reporting in F17 in keeping with our commitment towards transparency and the highest standards of corporate governance. The following year, to present our shareholders with a more holistic view of how we create and sustain long-term value, we included key elements of the Integrated Report (IR) along with the Annual Report. While staying true to the principles of the International Integrated

Reporting Council's framework that was incorporated in the past, this year our Integrated Report structure has evolved to create a more reader-friendly experience.

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

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

HOW TO READ THIS REPORT



Integrated Report <IR>

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

This Integrated Report begins with an overview of the business and its ethos, and then elaborates on how the business sustains value using a robust governance framework. It also explains in detail how the pursuit of excellence fuels strategy, mitigates risks, and amplifies opportunities for the business.

Taking a broader view, Integrated Reporting covers not only the financial health of an organisation, but also considers factors such as innovation that enhances our way of life, environment that impacts our planet, and society that determines our license to operate.

We also use an easy-to-understand diagram to depict inputs, outputs and outcomes, that is measured by KPIs.

The report structure this year remains true to the principles of integrated reporting and seeks to create a more lucid flow of information for a crisp and coherent disclosure.

The detailed Statutory Statements and Financial Reports are also part of this document and are in line with the requirements of the Companies Act, 2013 (including the rules made thereunder), Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable Secretarial Standards.

Scope of the Report

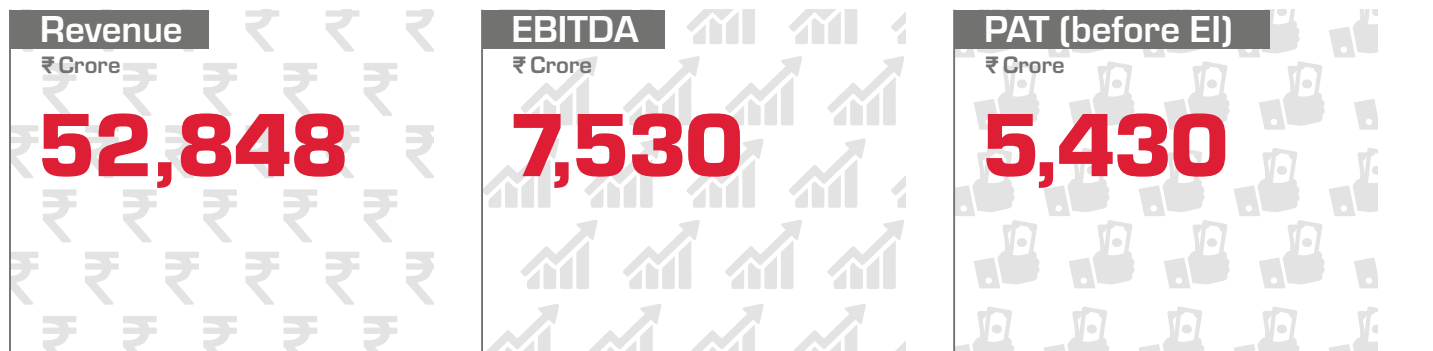
The reporting period of Mahindra & Mahindra Ltd. for this Integrated Report is 1st April, 2018 to 31st March, 2019. It provides an overview of the operations and business development activities of the Company. This Integrated Report is also aligned to the nine principles of the Ministry of Corporate Affairs' National Voluntary Guidelines (NVG) on the social, environmental and economic responsibilities of a business.

The scope of this Integrated Report is restricted to the domestic business of Mahindra & Mahindra Limited and Mahindra Vehicle Manufacturers Limited, consisting of the Automotive Sector, Farm Equipment Sector, Spares Business Unit, Mahindra Research Valley, Two-Wheeler Division, Construction Equipment Division and Powertrain Business Division.

Also, in the Integrated report section (first part of the report, up to page 44), we have presented some data on the basis of the combined financials of Mahindra & Mahindra Limited and Mahindra Vehicle Manufacturers Limited. We have also shown the data related to other group businesses and companies, wherever required, to provide a holistic view of the company's performance and presence.

PERFORMANCE HIGHLIGHTS

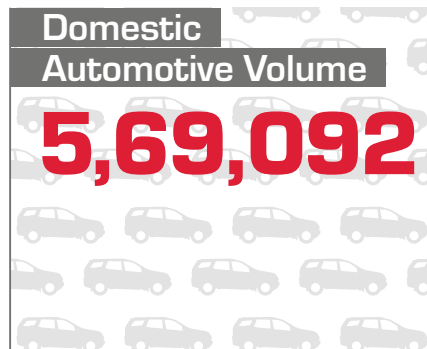
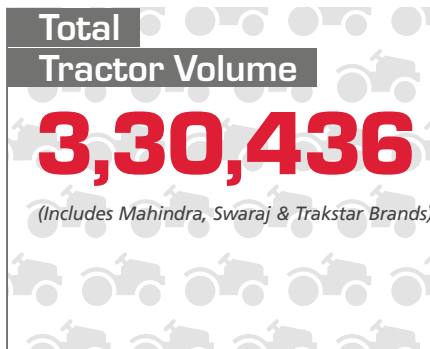
F19 was the year of several peaks **ACHIEVED**



FINANCIAL (M&M + MVML)

<p>Net Sales & Operating Income ↑</p> <p>Grew by 11.1% to ₹ 52,848 crore in F19 compared to ₹ 47,577 crore in F18</p> <p>Top-line crossed ₹ 50,000 crore mark for the first time</p>	<p>Profit After Tax (before EI) ↑</p> <p>Grew by 29.6% to ₹ 5,430 crore in F19 compared to ₹ 4,190 crore in F18</p> <p>Bottom line crossed ₹ 5,000 crore mark for the first time</p>
<p>EBITDA ↑</p> <p>Grew by 6.9% to ₹ 7,530 crore in F19 compared to ₹ 7,043 crore in F18</p>	<p>Earnings Per Share (Basic) ↑</p> <p>Increased to ₹ 40.29 in F19 from ₹ 36.64 in F18*</p> <p><small>*M&M Limited</small></p>
<p>Profit Before Tax (before EI) ↑</p> <p>Grew by 13.4% to ₹ 7,011 crore in F19 compared to ₹ 6,182 crore in F18</p>	<p>Investment in R&D ↑</p> <p>Rose to ₹ 2,643 crore in F19 compared to ₹ 2,066 crore in F18</p>

HIGHEST EVER



NON-FINANCIAL

Automotive Volume ↑

Sales volume grew by 10.76% to 6,07,548 in F19
from 5,48,508 units in F18

Total Energy Saved

49,726 GJ in F19

Tractor Volume ↑

Sales volume grew by 3.4% to 3,30,436 in F19
from 3,19,623 units in F18

Zero Waste to Landfill Certification

8 plants of M&M received the certification till F19

No. of Employees ↑

Increased to 42,875 in F19
from 41,673 in F18

including Permanent and Temporary / Casual / Contractual Employees

COMPANY OVERVIEW

The Group

The Mahindra Group is a USD 20.7 billion federation of companies that is providing innovative mobility solutions, driving rural prosperity, enhancing urban living, nurturing new businesses and fostering communities.



It enjoys a **leadership position** in utility vehicles, information technology, financial services and vacation ownership in India



It is the **world's largest tractor** company, by volume



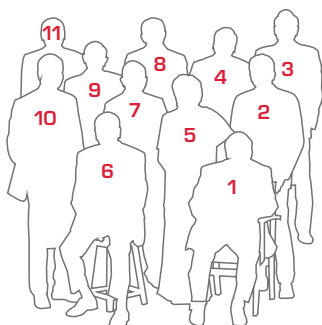
It also enjoys a **strong presence** in agribusiness, aerospace, commercial vehicles, components, defence, logistics, real estate, renewable energy, speedboats and steel, among other businesses



Headquartered in India, Mahindra **employs over 2,40,000 people across 100 countries**

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

CHAIRMAN EMERITUS AND BOARD OF DIRECTORS



1 Mr. Keshub Mahindra
Chairman Emeritus

5 Dr. Vishakha N. Desai
Independent Director

9 Mr. Nadir B. Godrej
Independent Director

2 Mr. Anand G. Mahindra
Executive Chairman

6 Mr. R. K. Kulkarni
Independent Director

10 Mr. T. N. Manoharan
Independent Director

3 Mr. Vikram Singh Mehta
Independent Director

7 Dr. Pawan Goenka
Managing Director

11 Mr. Vijay Kumar Sharma
Nominee Director

4 Mr. M. M. Murugappan
Independent Director

8 Mr. Anupam Puri
Independent Director

GROUP EXECUTIVE BOARD



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

2 Mr. V.S. Parthasarathy
Group CFO & Group CIO

3 Mr. Rajan Wadhwa
President - Automotive Sector

4 Mr. Hemant Sikka
President - CPO, Powerol
& Spares Business

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

6 Ms. Sangeeta Prasad
MD & CEO - Mahindra
Lifespac Developers Ltd.

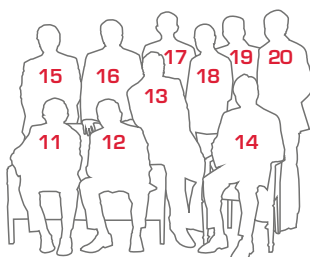
7 Mr. Manoj Chugh
President - Group Public Affairs

8 Mr. Ramesh Iyer
Vice Chairman & MD -
Mahindra & Mahindra Financial
Services Ltd. and
President - Financial Services Sector

9 Dr. Pawan Goenka
Managing Director

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





11 Mr. S. Durgashankar
President - Group M&A,
Corporate Accounts &
Group Secretarial

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

13 Mr. L. Ravichandran
President & COO -
Tech Mahindra Ltd.

14 Dr. Anish Shah
Group President - Strategy

15 Mr. Rajeev Dubey
Group President - HR &
Corporate Services and
CEO - Aftermarket Sector

16 Mr. Anand G. Mahindra
Executive Chairman

17 Mr. Ruzbeh Irani
President - Group Communications
& Ethics and Chief Brand Officer

18 Mr. Shriprakash Shukla
Group President & CEO
Aerospace & Defence Sector

19 Mr. C. P. Gurnani
MD & CEO -
Tech Mahindra Ltd.

20 Mr. Rajesh Jejurikar
President -
Farm Equipment Sector

OUR CORE PURPOSE

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



**ACCEPTING
NO LIMITS**



**ALTERNATIVE
THINKING**



**DRIVING
POSITIVE CHANGE**

OUR CORE VALUES

PROFESSIONALISM

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

.....

GOOD CORPORATE CITIZENSHIP

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

.....

CUSTOMER FIRST

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

.....

QUALITY FOCUS

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

.....

DIGNITY OF THE INDIVIDUAL

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

POWERED BY GOOD GOVERNANCE

Doing things is important, doing them the right way is even more important. Good governance beckons the right way, taking a company towards sustained success.

At Mahindra, it is a part of our DNA and we have institutionalised it through a set of Core Values, Code of Conduct, Corporate Governance Policies and structures like the Corporate Governance Council. The framework is firmly in place to ensure that we are Designed to Rise, and all governance issues are effectively and transparently addressed.

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



For more details about our corporate governance, please refer to page 153 of our Annual Report 2019.

MAHINDRA'S JOURNEY OVER THE YEARS

Mahindra, since its inception, has always aligned its businesses to the nation's needs and priorities. Below is a quick glance at Mahindra's contribution towards building the nation over the last 74 glorious years, and how every innovation and initiative was designed to help all our stakeholders Rise.

Mahindra



Year	Milestones
1945-1965	<p>Founded in October 1945 with Steel & Automotive businesses, to better serve national needs, on the following 5 principles:</p> <ul style="list-style-type: none"> a Encouragement of private enterprise b Opposition to anti-social trends c Co-operative working to ensure dignity of labour d Belief in people e Ability is the sole test of merit and advancement
1947	75 jeeps arrived in India in CKD condition; assembly commenced in Mumbai
1948	Company name changed from Mahindra & Mohammed to Mahindra & Mahindra
1963	M&M formed a joint venture with International Harvester to manufacture tractors for the Indian market. Mahindra played an active part in the country's Green Revolution that dramatically increased farm productivity and drove rural prosperity
1965-1985	
1968	M&M exported 2,000 vehicles to the former Yugoslavia
1976	Launched vehicles with modified tractor engines
1977	International Tractor Company India merged with M&M to become the Tractor Division of the company
1979	M&M tied up with Peugeot, France to manufacture XDP 4.90 diesel engines
1983	M&M becomes market leader in the Indian tractor industry and has retained this position till date



Year	Milestones
1985-2005	A pioneer of the 'Make in India' movement, established strong manufacturing operations during the challenging and restrictive licensing era
1986	Partnership with British Telecom. Laid the foundation for Tech Mahindra's presence in IT which was a sunrise sector at the time
1991	Set up Mahindra Finance to drive financial inclusion particularly in rural areas
1994	Established Mahindra USA (MUSA) to assemble and sell tractors in the hyper-competitive US market; a bold move for Mahindra
1995	JV with Ford helped drive our automotive technology expertise
1996	Established Mahindra Holidays, a timeshare concept
	Established Nanhi Kali to help educate the underprivileged girl child - aimed at inculcating the habit of philanthropy
1997	The Mahindra United World College of India inaugurated in Pune bringing world-class education to India
2000	Launched Bolero; becomes India's largest selling SUV, 10 years in a row, driving mobility in rural and semi-urban India
	Launched India's first electric 3-wheeler, Bijlee - a truly pioneering initiative
2002	Launched Mahindra Scorpio - integrated development using latest CAD/CAM tools, a big step forward for the auto sector
	Mahindra World City, Chennai, a pioneering development and precursor to Smart Cities





Year	Milestones
2003	Mahindra Tractors won prestigious Deming Prize for excellence in quality - the first tractor firm in the world to receive the award
2005-2019	Acquired the ailing Punjab Tractors and turned it around. Changed the name to 'Swaraj Division' in 2009
2007	
2008	A 700-acre state-of-the-art automotive manufacturing plant came up in Chakan near Pune Aftermarket sector formed to professionalise the pre-owned car and car service industry
2009	Acquired GippsAero and AeroStaff in Australia marking the rise of Aerospace Entered solar energy sector. Also started the Samriddhi initiative to help drive farm productivity
2010	Acquired Reva, making Mahindra, an Electric Vehicle pioneer in India
2011	Mahindra repositioned itself and launched a vibrant new identity - Rise Mahindra Rise. Launched XUV500, first global SUV model Bought South Korean SUV maker SsangYong Motor



Year	Milestones
2012	MRV R&D centre inaugurated; the cradle of innovation and hub of Mahindra's Global Neural Network of automotive and tractor innovation
2013	Tech Mahindra & Satyam merged to create India's 5th largest IT services company
2014	Mahindra Racing enters Formula E - electric racing car series, as one of the founding teams
2015	Record number of auto launches - 14 new models
2016	Launched GenZe - smart electric scooter, in USA
2015-17	Expanded our global presence by three acquisitions in the Farm sector - Sampo (Finland), Hisarlar (Turkey) and Mitsubishi (Japan)
2017	India's first driverless tractor developed and demonstrated Launched E2O Plus electric car
2018	M&M's market cap crossed ₹ 1 trillion Corporate garage culture; new start-ups including Trringo, SmartShift Global revenue rose to 49% of the Group turnover, with 57 manufacturing facilities around the world
2019	Revealed Pininfarina Battista, an electric hyper-car with staggering performance



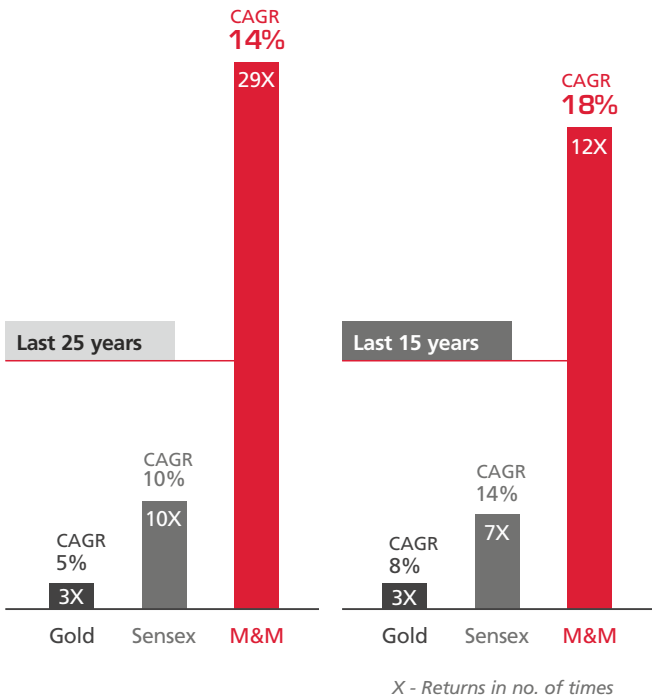
Mahindra revives the storied Jawa brand. Receives an overwhelming response from bike lovers in India

LONG-TERM VALUE CREATION

At Mahindra, we understand that sustaining growth and expansion over the long-term is possible only with proper and prudent use of financial capital. Over the past seven decades, we have always focussed on the practical and pragmatic deployment of funds in our endeavour to create, augment and distribute value to all our stakeholders.

M&M VALUE CREATION

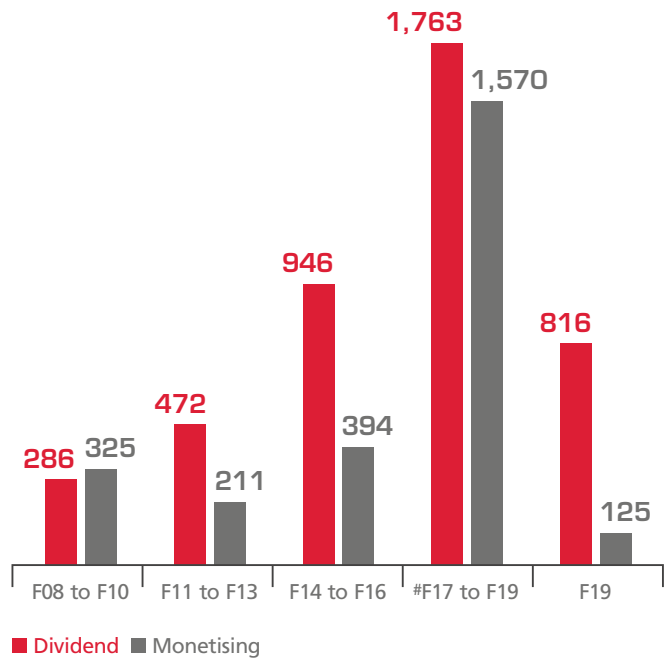
as on 31st March 2019



VALUE REALISATION

as on 31st March 2019

₹ Crore



Above excludes gain on transfer of investment to group companies
Includes gain on CIE Spain share sales at MOICML

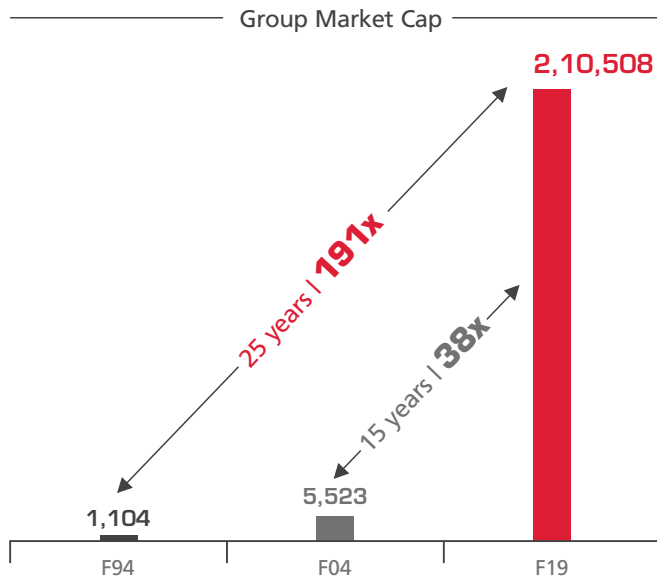
>3,000 times return over 4 decades

Group investments are a source of consistent cash flows

**GROUP
VALUE CREATION**

as on 31st March 2019

₹ Crore



\$ = ₹ 69.32

**Group Market
Capitalisation at
₹ 2.1 trillion**

**MARKET
CAPITALISATION**

as on 31st March 2019

₹ Crore

Mahindra & Mahindra	83,779
Tech Mahindra	76,299
Mahindra & Mahindra Financial Services	26,020
Mahindra CIE Automotive	8,882
SsangYong Motor Company	4,656
Mahindra Logistics	3,761
Mahindra Holidays & Resorts India	3,198
Mahindra Lifespace Developers	1,888
Swaraj Engines	1,709
Mahindra EPC Irrigation	315

*Group market capitalisation has been calculated by simple addition of the market capitalisation of listed group companies namely - M&M Ltd., Tech Mahindra Ltd., Mahindra Financial Services Ltd., Mahindra CIE Automotive Ltd., SsangYong Motor Company, Mahindra Logistics Ltd., Mahindra Holidays and Resorts India Ltd., Mahindra Lifespace Developers Ltd., Swaraj Engines Ltd. and Mahindra EPC Irrigation Ltd.

GLOBAL FOOTPRINT



WE HAVE A BUSINESS PRESENCE IN **100+ COUNTRIES WITH 49% REVENUE FROM OUTSIDE INDIA**

(Our business presence is marked in red on the map below)

57 MANUFACTURING FACILITIES AROUND THE WORLD

AFRICA
12

AUSTRALIA
02

BRAZIL
01

CHINA
01

FRANCE
01

FINLAND
01

ITALY
02

INDIA
22

JAPAN
01

MEXICO
01

SOUTH KOREA
02

TURKEY
04

USA
07

Automotive

Tractors & Farm Machinery

Two Wheelers

Electric Vehicles

Others

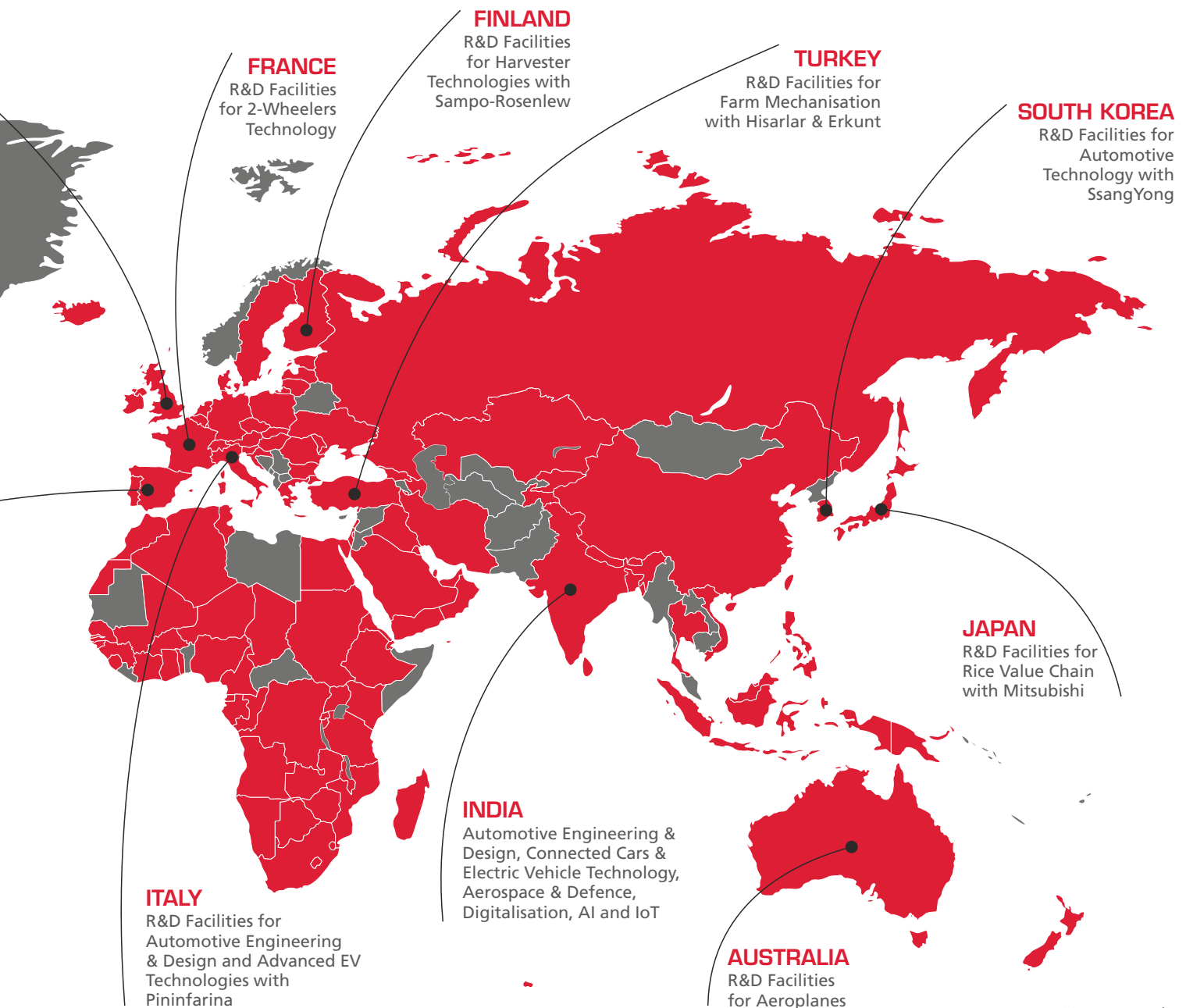
We have 33 resorts across Finland, Sweden and Spain (Grand Canaria)





OUR R&D FACILITIES ARE SET UP ACROSS **11 COUNTRIES**

Australia, Finland, France, India, Italy, Japan, South Korea, Spain, Turkey, UK and USA



Map not to scale.
For illustrative purposes only.

MANUFACTURING PLANTS IN INDIA

At a time when the global automotive industry has been disrupted by CASE (connected technology, autonomous vehicles, shared mobility, and electrified powertrains), our manufacturing capabilities have not only kept us ahead of the curve today, but also ready for the future.

Be it shifting from BSIV to BSVI engines, where most of our car models will be on road as per the April 2020 deadline, to setting up electric vehicle technology manufacturing facility; Mahindra is way ahead of the industry today.

We are steadily moving towards smart manufacturing. Our 'Factory-of-the-future' center focuses on areas such as Digital Manufacturing, Connected Machines, Additive Manufacturing, Robotics & Automation, and Augmented Reality & Virtual Reality. We are interconnecting networks and systems with the various digitalised components of the production process, and in the process of adopting AI to schedule, monitor and continually improve output.

As on 31st March 2019, property, plant and equipment (including capital work-in-progress) at M&M+MVML stood at ₹ 10,220 crore. During the year, we incurred a capital expenditure of ₹ 3,215 crore, and the major focus was on new product development and capacity enhancement.



Chakan Manufacturing Facility



Electric Vehicle Manufacturing Facility, Bengaluru

Mahindra Electric Mobility Ltd. has set up a first-of-its-kind electric vehicle technology manufacturing facility in Bengaluru, Karnataka, with a total investment of ₹ 100 crore.

18 MANUFACTURING PLANTS ACROSS THE COUNTRY

Automotive Sector
Sales Volume (units)

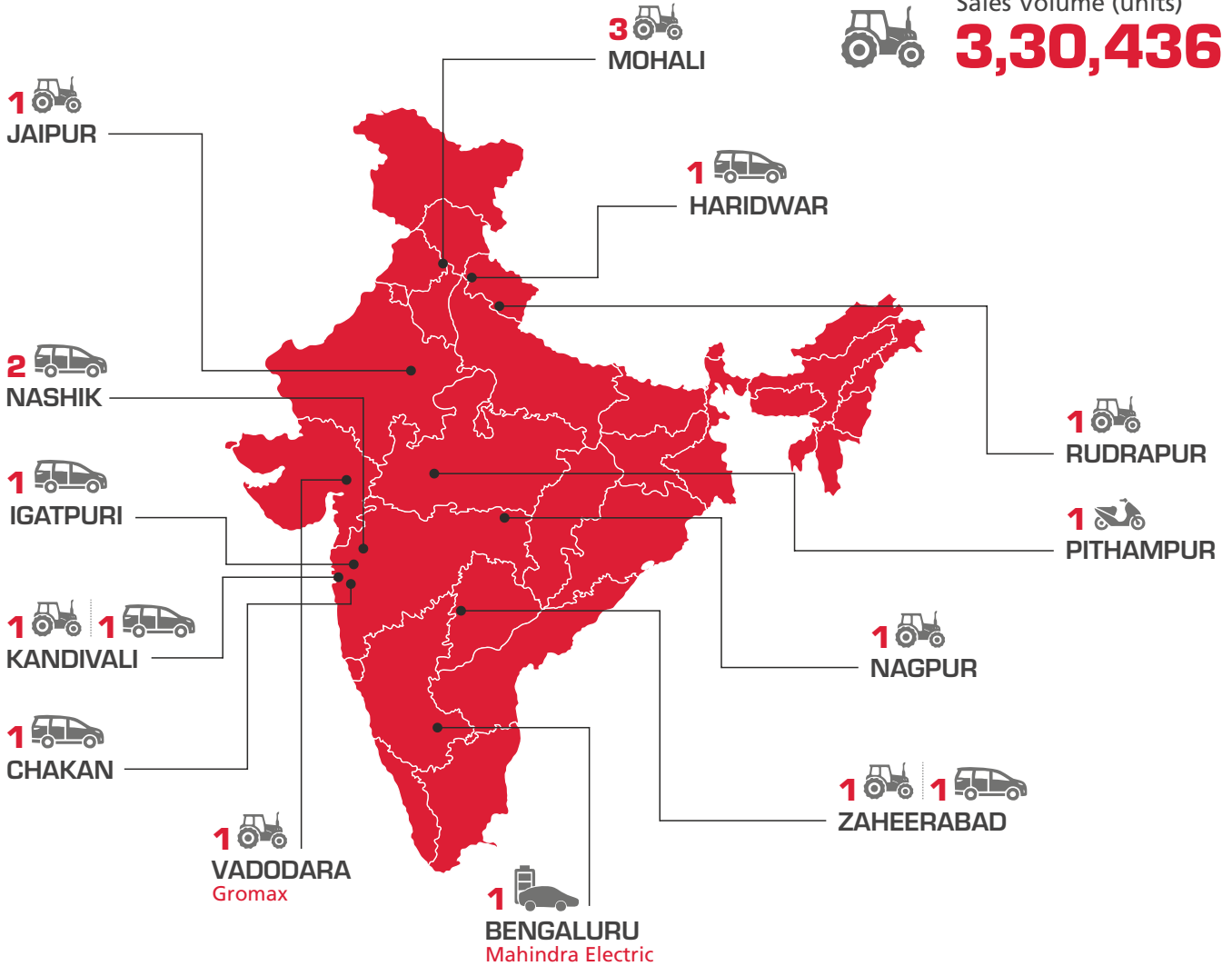


6,07,548

Farm Equipment Sector
Sales Volume (units)



3,30,436



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



Automotive



Tractors & Farm Machinery



Two-Wheelers



Electric Vehicles

DRIVEN BY EXCELLENCE

At Mahindra, we have always been challenging conventional thinking, pushing the limits, striving for perfection and delivering beyond the stakeholders' expectations. The results are quite visible in our products, processes and people - Pininfarina Battista, the electric luxury hyper car is representative of styling excellence; eco-friendly Chakan manufacturing plant demonstrates operational excellence; while Mahindra Research Valley proves excellence in R&D. Our people work collaboratively and make us achieve the extraordinary.

In F19, we filed a total of 152 patent applications taking our IPR to a cumulative of 1,268. We have also filed a total of 435 design applications so far.

STRATEGIC OVERVIEW

We are witnessing breakthrough developments in alternative fuels, traditional automobile technology, IT, and business models like shared mobility. In such a dynamic environment, our knowledge is geared towards our future preparedness and capabilities.

Other than developing and launching new products, some of the key developments include:

■ BSVI Preparedness

We are fully prepared to meet the BSVI deadline of April 1, 2020 across all our product categories. Towards this, we have not only developed cost competitive BSVI diesel engines, but also equally good, globally competitive gasoline engines to provide the power of choice to our customers.



G 15 TGD I BSVI Engine

■ Electric Vehicles

We have invested both in products and EV technologies

Products

Presence across all segments of vehicles

3-wheelers | Passenger Cars | Commercial Vehicles

Already completed more than
100 million eKm

Saving CO₂ emission of
11,000 MT
equivalent of planting 5 lakh trees

Technologies

Invested in manufacturing of Battery Packs, Power Electronics and Motor Assembly, and Power Train

Automobili Pininfarina

The limited edition all-electric supercar 'Battista' combines extreme engineering and technology in a zero emissions package and has become our global brand ambassador.

pininfarina
Battista

Other Developments

We are embracing technology and innovation in other aspects that include:



- Connected Car Technology (collaboration with Ford for joint development of a telematics control unit)
- Piloting the nation's first TriGen system (natural gas to electricity, hot water, and cool air)
- Centralised Virtual Reality Lab
- Working on Intelligent Tractors to address agricultural productivity/issue of skilled labour shortage
- Industry 4.0 technology levers (IIoT & Connected Factory)
- Big Data and Artificial Intelligence - developing tools for farmers to forecast weather patterns, likely crop failure, detect pests, track global crop prices, etc.



RISKS AND OPPORTUNITIES

We proactively identify risks before they become challenges and work out ways either to mitigate them or turn them into opportunities. Periodically, we conduct an exercise for identifying risks and opportunities. The Chief Risk Officer and the Chief Sustainability Officer are engaged through a structured process to deliberate on possible risks and opportunities from Technology-Economic-Media-Political-Legal-Environmental-Social (TEMPLES) framework.

Key Risks and Risk Mitigation Initiatives

RISKS	STRATEGIC & OPERATIONAL INITIATIVES
Capacity constraints of vendors in case of sudden surge in demand	<ul style="list-style-type: none"> Working closely with key suppliers through capacity planning and longer-term contracts Actively pursuing opportunities for global sourcing
New emission norms	<ul style="list-style-type: none"> Well poised to meet the BSVI April 2020 deadline for automotive products Pursuing a strategy to develop and introduce BSVI petrol & diesel engines with aggressive time and cost targets
Environmental concerns on air-quality and dependence on fossil fuel	<ul style="list-style-type: none"> Pioneers in electric vehicles (EV) Strong portfolio of EV vehicles including cars, cargo/passenger vans and two models of 3-wheelers; developing the EV versions of the KUV100 and the XUV300 Investing in next generation EV technologies including 380V powertrain, high efficiency drivetrain motors and local manufacturing of batteries EV technology manufacturing hub inaugurated
Increased competition	<ul style="list-style-type: none"> Developing new products and technologies Focussing on customer-centric products, services Building brands Increasing channel reach
New safety norms	<ul style="list-style-type: none"> Geared up and confident of meeting the safety norms under Bharat New Vehicle Safety Assessment Programme (BNVSAP)
Leadership development & talent management	<ul style="list-style-type: none"> Connected knowledge seekers and knowledge providers through the Mahindra Leadership University (MLU) Implemented Tech Ladder for capability building and talent management of technical functions



For detailed information on the risks and opportunities, please refer the MDA, page no. 139 in the Annual Report

Opportunities

■ Automotive Sector



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

Going forward, India is expected to be amongst the fastest growing auto markets, on the back of healthy economic outlook, finance penetration, urbanisation, investment in roads, infrastructure and new launches by OEMs.

We are fully geared up to leverage this opportunity through our initiatives in Shared Mobility, Electric Vehicles, innovative products and extensive product portfolio.

■ Farm Equipment Sector



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

India, with its large base of small and marginal farmers, has several regions with low penetration of farm mechanisation. With increasing labour cost and labour scarcity, greater adoption of various forms of mechanisation is the way forward.

In this scenario, the market for tractors and other farm equipment is expected to grow in the long-term.

With our leadership position and focus on Farm-Tech prosperity, we are well positioned to benefit from this opportunity.



For detailed information on the risks and opportunities, please refer the MDA, page no. 138 in the Annual Report.

INTERLINKAGES OF MULTIPLE TYPES OF CAPITAL IN BUSINESS MODEL AND VALUE CREATION

INPUT

FINANCIAL CAPITAL

Total Capital Employed (₹ Cr)	14,399
Gross Debt to Equity Ratio	0.08
Net Capital Expenditure (₹ Cr)	3,215

MANUFACTURED CAPITAL

Number of Plants in India	18
Material Cost (₹ Cr)	35,998
Key Raw Materials	Steel, Iron, Rubber, Glass, Aluminium, Copper, etc.

INTELLECTUAL CAPITAL

Spend on R&D (₹ Cr)	2,643
Spend on R&D (% of revenue)	5.0
R&D Nodes	MRV, SsangYong, Pininfarina, MANA, MAM, Sampo Rosenlew
Patents Applied (nos.)	152

HUMAN CAPITAL

Number of Permanent Employees (nos.)	21,020
Temporary / Casual / Contractual Employees (nos.)	21,855
Unionised Permanent Workmen (%)	84
Employee Benefit Expense (₹ Cr)	3,283
Permanent Women Employees (nos.)	771

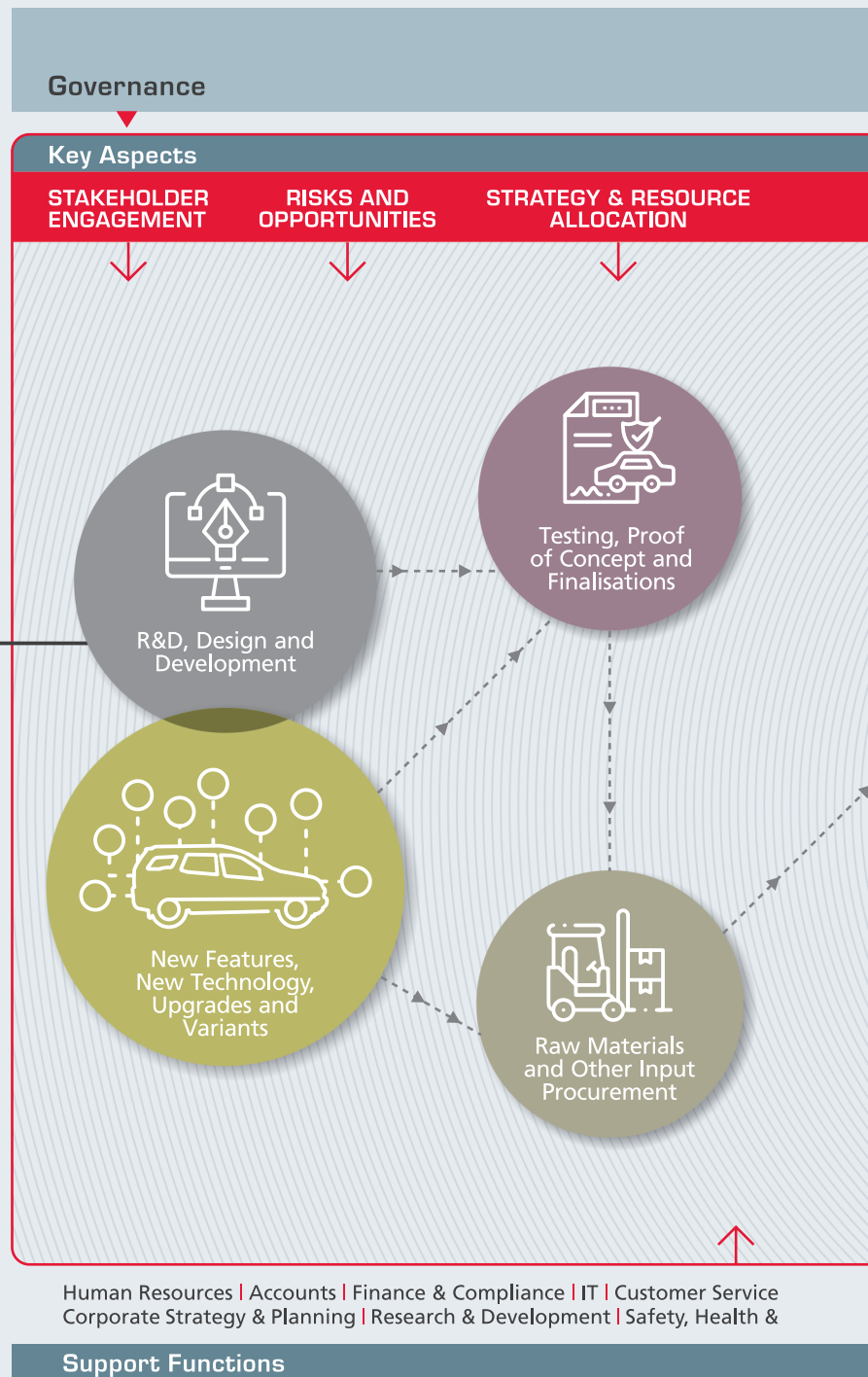
NATURAL CAPITAL

% of Renewable Energy	3
Total Energy Consumption (GJ)	18,19,120
Total Water Consumption (m ³)	15,12,242

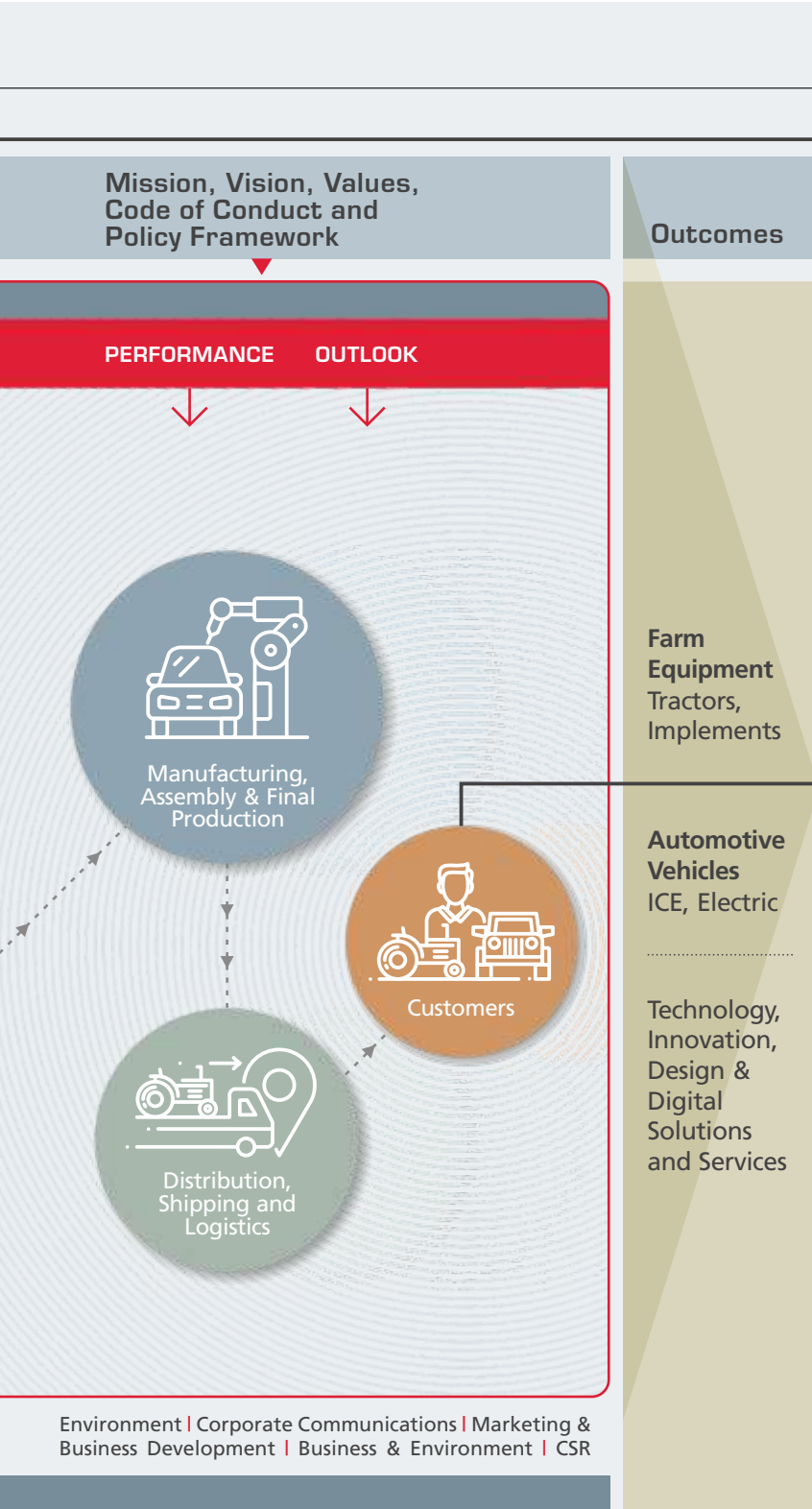
SOCIAL & RELATIONSHIP CAPITAL

CSR Investment (₹ Cr)	93.50
ESOP Hours	1,88,833
Employee Volunteers for Various Services (nos.)	26,126
Key Focus Areas	Education, Health & Environment

Business Model showing Principal Activities



* Financial Capital, Material Cost, R&D Spend and Employee Benefit Expense is at M&M + MVML Level



OUTPUT

FINANCIAL CAPITAL

Total Income (₹ Cr)	52,848
EBIDTA (₹ Cr)	7,530
Net Profit (before EI) (₹ Cr)	5,430
Dividend from Group Companies (₹ Cr)	816

MANUFACTURED CAPITAL

Total Vehicles Sold (nos.)	6,07,548
Passenger Vehicles (nos.)	2,54,351
Commercial Vehicles (nos.)	2,48,601
Three-Wheelers (nos.)	66,140
Vehicles Export (nos.)	38,456
Total Tractors Sold (nos.)	3,30,436

INTELLECTUAL CAPITAL

New Products Launched	Auto: Alturas G4, XUV300, Marazzo, Furio, eTreo
New Technologies	Driverless Tractors, DigiSense, NEMO, MyAgriGuru

HUMAN CAPITAL

Permanent Employees Trained (nos.)	17,377
Temp / Casual / Contractual Employees Trained (nos.)	14,529
Complaints on Child / Involuntary Labour	NIL
Complaints on Discriminatory Employment	NIL

NATURAL CAPITAL

GHG Emissions (Scope 1 - tCO ₂)	45,768
GHG Emissions (Scope 2 - tCO ₂)	2,34,351
Energy Saved (GJ)	49,726
Water Reused	AD-30% FD-40%
GHG Mitigation (tCO ₂)	9,867

SOCIAL & RELATIONSHIP CAPITAL

Girls Supported under Nanhi Kali (nos.)	18,974
Youths Trained at Mahindra Pride Schools (nos.)	6,561
Total Trees Planted under Project Hariyali (million nos.)	0.95
Beneficiaries under Lifeline Express Programme (nos.)	11,119

AWARDS



- Auto and Farm Sector ranked 10th in **'India's Best Companies to Work For 2018'** study conducted by the Great Places to Work Institute® in partnership with The Economic Times
- Received the **Indian MNC of the Year Award** at the 10th edition of the AIMA (All India Management Association) Managing India Awards 2019
- Awarded the **CII Industrial Innovation Award 2018 Mark**, as the most innovative company in 2018
- Ranked among the **Top 25 companies in Fortune's Global 'Change the World' list of companies**. M&M Limited was one of the two Indian companies on the list, and was recognised for its significant 44% reduction in carbon emissions over the past 7 years
- Commended as **Asia's Best Supply Chain Reporting at the Asia Sustainability Reporting Awards (ASRA) 2018**
- The Igatpuri engine plant became **the First Manufacturing Facility in India to become Carbon Neutral** as certified by Bureau Veritas (India) Pvt. Ltd.
- Won the prestigious **National CSR Award in the Agriculture & Rural Development category**, awarded by the Ministry of Corporate Affairs in 2018
- Won the **National CSR Award in the 'Education' category** from the Ministry of Corporate Affairs in 2018
- Recognised as an **'Organization to Watch' in the 'State of Green Business'** report by GreenBiz Group in the 2019 edition of its annual report
- Mahindra Lifespaces ranked among the **'Top 100 Best Companies for Women in India'** in the Working Mother and AVTAR - Best Companies for Women in India survey
- **Asia's Best Carbon Disclosure at the Asia Sustainability Reporting Awards (ASRA) 2018**

BUILDING FOR THE FUTURE

PRODUCTS

We use our knowledge to innovate and create sustainable products which use fewer resources and increase the convenience of our customers. Here are some of the key products launched in the reporting period.

New Products Launched in F19

New products were launched to take on the competition, create value and attain growth.



Alturas G4 - Luxury SUV



Marazzo - globally engineered UV



XUV300 - Cheetah inspired SUV



Jawa Motorcycles
Jawa & Jawa Forty-Two



Maha Bolero Pik-Up
India's first pickup with
1,700 kg payload capacity



Novo 65 & 75 HP Tractors
an open station design with
optional AC cabin



FURIO - range of
intermediate commercial
vehicles (ICVs) in India



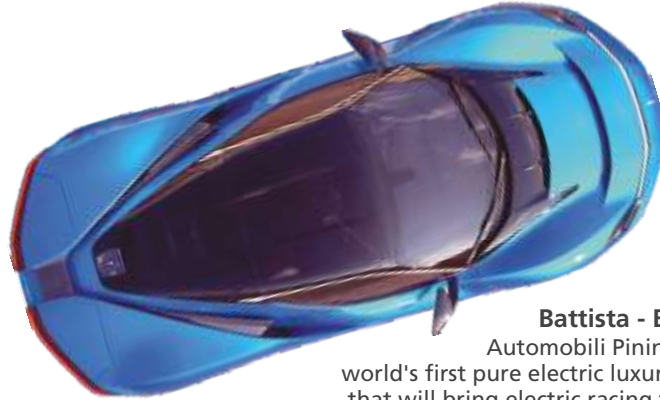
Seahawk - range
of Marine engine
by Powerol

Electric Vehicles Launched in F19

With pollution rising, environmental regulations becoming stricter, and governments across the globe announcing incentives and initiatives for the EV consumers, the future is fast moving towards electric vehicles. Mahindra is a pioneer of EVs in India and is leading this change by mainstreaming the technology.



Treo - Electric Three-wheeler
India's first Li-ion 3-wheeler auto, will facilitate last mile movement and connectivity in the urban areas



Battista - Electric Sports Car
Automobili Pininfarina revealed the world's first pure electric luxury hyper car Battista that will bring electric racing technology on road

BUSINESSES

We are driving future growth through sustainable solutions. These solutions are optimally addressed to the evolving needs and preferences of the consumers. In the reporting period, we developed the following solutions.

Smooth 'GLYD'ing | Ride Sharing Business

We forayed into the ride-sharing business with our electric car hailing service - Glyd, to provide sustainable mobility solutions for problems faced by urban India.



Handling with Precision

We are developing precision farming solutions with the objective of improving yields at a lower cost through precise use of inputs. Here are a couple of key solutions:



'MyAgriGuru' A digital platform that connects farmers and agri-experts exchange thoughts, ideas and information – creating a true, trustworthy eco-system.

Maati Artificial Intelligence Solutions based on extremely hyper local data, including advanced advisory and deployment.

■ Propagating Solar | Mahindra Susten

With technological advancements increasing efficiency, the cost of generating solar power is going down in India.

In the reporting period, we launched on-site mobile PV test lab which combines all the key tests required for PV modules in a compact lab.

We have a significant presence in this market with over 1,210 MWp solar PV projects commissioned and 1,990 MWp solar projects under execution.



■ Making Cities Smart | Mahindra Lifespaces

As the Government of India accelerates development of smart cities in India, we have already begun the journey in this segment by setting up Mahindra World Cities.

These cities have been developed keeping in mind the ethos of 'Livelihood, Living and Life' with digital disruption as the backbone.



DIGITAL CAPABILITIES

We have successfully institutionalised analytics in the organisation to enable data driven business decisions, to drive customer experience and to enhance employee value proposition.

We are committed to embed predictive analytics and AI solutions across the entire value chain of business from product development to manufacturing and go-to-market. We have also implemented a sales transformation programme to enable the front facing dealer salesmen to prioritise their sales efforts by picking up the high propensity leads, in turn driving better conversions. The sales transformation programme also generated significant incremental sales from existing customers with 'workshop as a promoter' channel.

■ Enhancing Customer Experience through Artificial Intelligence

- Digitised showrooms (Dealership of Future) enabled through AR, VR and powered by AI are enhancing the customer experience. AI driven voice and video solutions are piloted to further drive value in the customer journey at every touch point.
- Customers are increasingly engaging and booking online on M&M platforms for convenience, thereby driving the online sales significantly.



■ Driving Analytics to Enhance Employee Value Proposition

- Human Resource department has analytically transformed the key HR processes in employee life cycle to enhance the employee value proposition. We have upskilled more than 400 employees on analytics with a focussed learning programme. We are looking at data analytics to impact Key Performance Indicators in every business, function and customer life cycle.
- Innovative solutions to drive analytics such as hackathons were deployed to unearth the hidden value in data and to drive a cultural transformation. Such initiatives helped us in reducing the business complexity through variant reduction, supported pricing decisions and uncovered new business models in the form of cash and carry.

■ Making Business Decisions Based on Analytics

- Key business decisions around product planning and marketing are enabled through advanced analytics solutions. Data driven pricing algorithms enabled us to take scientific pricing decisions for the new launches: Marazzo, XUV300, and Alturas G4.
- Analytics and data maturity have improved significantly. High impact business decisions in the Quality function enabled by predictive analytics have helped us save significantly on sustainable warranty costs.
- Significant cost saving has also been achieved in the strategic sourcing unit through better spend visibility, and data driven purchasing strategies. The adoption of technology and analytics has created smart factories. We have created our own system using sensors and IoT (Internet of Things) that generates alerts. We believe that it will reduce breakdown time significantly with dramatic reduction in repair and maintenance costs.
- Artificial Intelligence driven chatbots and advanced computer vision algorithms on MyAgriGuru platform are driving a better farmer engagement and working towards the mission of increasing farm productivity in India. Our sophisticated algorithms enabled our fruit export businesses to better understand the European markets and plan scientifically leading to higher profitability.



FOCUSSED ON SUSTAINABILITY

ENVIRONMENT

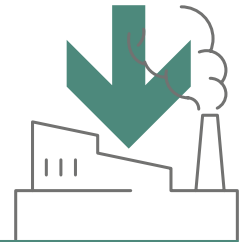
Ecological health is essential to the sustainability of the economy. In order to continue reaping the benefits of our natural environment, businesses need to recognise the importance of natural resources. We believe that value addition in the future will depend on the conservation of natural resources through more effective manufacturing processes and the reuse of materials - do more with less.

Our natural resource utilisation strategy is governed by the 3Cs - conservation, continuous improvement towards rejuvenation and comprehensive disclosures.

A cohesive framework, well-structured processes and focussed interventions are the foundation of our resource management approach. We are moving towards a sustainable future, where we are Designed to Rise by making initiatives directed towards the KPIs, material to our business.

Reduction of Greenhouse Gases (GHG)

Greenhouse gases continuing at the current rate have the capacity to cause Earth's surface temperature to exceed historical values as early as 2047, with potentially harmful effects on the ecosystems, biodiversity, human livelihoods and business operations.



By continuously monitoring, controlling and mitigating GHG emissions, we are consistently working to reduce this risk.



Setting greenhouse gas emission reduction targets in line with climate science is a great way to future-proof growth.

■ Science-based Targets (SBTi)

SBTi provide companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly they need to reduce their greenhouse gas emissions in line with the Paris Agreement's goal of limiting global warming to well below 2°C above pre-industrial levels.

Taking on emission and carbon footprint reduction targets as per the SBTi framework is a testimony of our continuing efforts to combat climate change.



After Anand Mahindra's challenge in the WEF, exhorting the companies to adopt SBTi, it is now being globally referred as the 'Mahindra challenge' and has generated a global momentum for SBTi. 20 Mahindra companies have signed the Science Based Targets initiative (SBTi).



■ Carbon Neutrality

Mahindra Group commits to be Carbon Neutral by 2040, with a clear focus on energy efficiency and usage of renewable power to achieve the target. Residual emissions will be addressed through carbon sinks.

We are doing our part in the global fight against climate change with this ambitious new target. Mahindra will leverage the latest technological advances and its recently announced Carbon Price to work towards being carbon neutral by 2040.



Anand Mahindra
Chairman, Mahindra Group

AD, Igatpuri became the first manufacturing plant in India to become Carbon Neutral.

Bureau Veritas certified it after verifying the AD Igatpuri plant's energy conservation journey, energy recovery projects, renewal energy projects, improvement in biodiversity, CO₂ reductions, emission calculations and other documentation presented by Mahindra & Mahindra Ltd.

■ Other Key Developments

Achieved our plan to

reduce specific emissions by **25%**

over 2016 figures in three years in line with the Carbon Pricing

Due to energy saving measures, M&M mitigated

9,867
tCO₂e

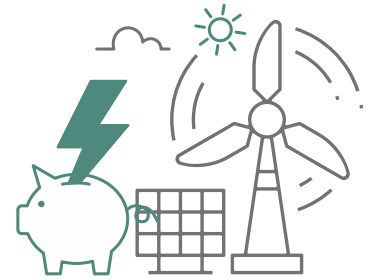
M&M achieves 'Industry Mover' distinction in DJSI World Yearbook and is listed in the Emerging Market Index for the 6th time in a row.



ESG Data,
Ratings &
Benchmarking

Conservation of Energy

Efficient management of energy reduces cost as well as GHG emissions. At Mahindra, our interventions are focussed on two approaches - increasing energy productivity and growing the green energy ratio in the total mix. Some of these include **heat recovery | energy efficient equipment | installing LED lights | green building certifications | monitoring energy efficiency of our major suppliers | increasing solar and wind power capacities.**



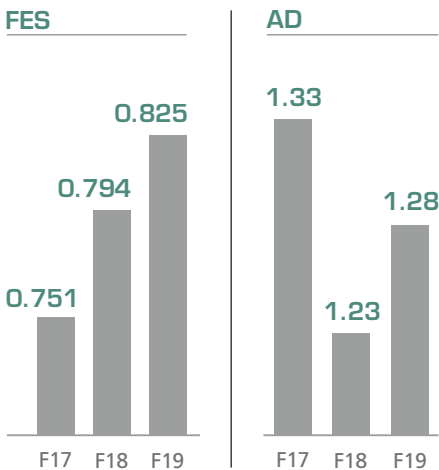
M&M's Zaheerabad plant won the Gold in the Global Sustainability Award 2018 organised by the Energy & Environment Foundation.

Renewable Energy (RE)

We keep increasing the share of RE in M&M (Share of RE has increased from 2% in F18 to 3% in F19), thereby ensuring environment custodianship as well as sustainable growth. Our total RE consumption this year has also increased by 76% as compared to last year. Our total solar and wind power capacities are 8.889 MW and 6.3 MW respectively.

Energy Productivity

Close monitoring of energy productivity (EP) enhances our focus on energy efficiency initiatives. We record EP data separately for AD as well as FES. Following is the EP data trend:



The EP for both FES and AD have increased in the reporting year.

MVML, MHEL and Swaraj Engines signed the EP100 committing to double their energy productivity by 2030.



The AD Tool and Die Plant in Nashik inaugurated its 838.5 kWp solar powered capabilities in March 2019. This is one more step towards making Mahindra & Mahindra Limited, a Carbon Neutral Company by 2040 with the help of green energy. **It is expected to generate ~11 lakh unit per year and will cater to 43% of the annual requirement of the Tool & Die Plant's power requirement, thereby reducing CO₂ emission by 935 ton per year.**

Other Key Developments

49,726 GJ of energy saving achieved in F19



Being Water Positive

Being the most vital natural resource to human life as well as business operations, we consider water as a risk as well as an opportunity. While the demand of water keeps growing due to increased scale and scope of businesses, we became water positive as early as F14 through our comprehensive 360° water management programme - H2Infinity.

Some of our ongoing efforts include rainwater harvesting | drip & micro irrigation | three 'R's, etc. M&M has also taken water recharging initiatives and has started monitoring the same.



AD and FES recycled and reused 30% and 40% of its water respectively, and the overall water recycled and reused across M&M was 31% in F19.

Water Recycling Story

Two of our factories do not draw water from municipal corporations and are running without dependency on external water source. These two plants are:



Igatpuri Plant



MVML - Chakan



Other Key Developments

Water recharge
increased from
0.0322 million m³
to approx.

0.10
million m³

CDP scores: M&M gets a score of

A- in Water



Reduction of Waste Generated

Already being scarce, natural resources going to waste is a double setback. Mahindra as a Group is committed to minimise the amount of waste that enters landfills from our operations, leading to more savings and less harm to the environment.

Minimum use of materials | reduction in waste generated | usage of waste as a valuable resource fostering a circular economy and responsible disposal; waste management is a comprehensive process for us.



Eight locations across M&M are certified as Zero Waste to Landfill (ZWL) by M/s Intertek, USA.

Waste To Landfill

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



LOCATION-WISE DIVERSION FROM LANDFILL

M&M AD Haridwar	99.80%
M&M SD Swaraj (Plant1)	99.27%
M&M AD Zaheerabad	99.27%
M&M FD Zaheerabad	99.98%
M&M FD Rudrapur	99.97%
M&M FD Nagpur	99.54%
M&M FD Jaipur	99.26%
M&M FD Kandivali	99.18%

Other Key Developments

Paperless manufacturing at FD Zaheerabad, leading to **ZERO** wastage of paper

Mahindra Kabira Festival 2018 was a green, disposable plastic free event.

An estimated 593 kg of waste was generated **96%** was recycled, composted or reused

Mahindra Blues Festival 2019 was a Yale certified green event. A total of 2.56 ton of waste was generated - around 2.4 ton or

93.7% was recycled, composted, donated, reused or sent to cement kilns for co-processing



Promotion of Biodiversity

Biodiversity is like the internet of life. The variety and strength of the ecological network and functions nurture human life, hedge against climate change and boost economic activity. Our focus on ascertaining a value from environmental performance has further strengthened the credibility of our biodiversity assessments.



Some of the significant initiatives include reporting on the 10-point India Business & Biodiversity Initiative (IBBI) declaration and partnering with world leaders like Terracon and IUCN.

Other Key Developments

10% improvement in Biodiversity Index in automotive sector

Paperless manufacturing and reduction in wood

54%
in AD

100%
in FD

as well as corrugated box consumption in packaging, leading to trees saved and CO₂ mitigation

World
Bio-Diversity
Day

1,200+ entries in the
photography competition

Biodiversity conservation

at different locations leading to transformed workspaces



Hariyali
by Mahindra



M&M planted 0.95 million trees under the Hariyali Project in F19.

FOCUSSED ON SUSTAINABILITY

PEOPLE



We couldn't have reached where we are today without our people. It is the competencies, capabilities and experience of our people that get translated into the quality of our products & services and add value to the brand.

We understand that over time, markets, technology and societies develop; hence, we consistently invest financial capital in enhancing their knowledge and skills. We enable our people to rise to their best and they help us drive excellence.



A workforce of
42,875
permanent and non-permanent employees



84%
unionised
permanent
workforce



54
women managers
trained through
the Women
Leadership
Programme

HIGHLIGHTS



M&M ranked
13th
on the list of
'Best Companies
to Work for 2019'
by Business Today



83%
permanent
employees
received safety
and skill
upgradation
training



Mahindra ranked
#55
in Forbes 2018 'Global 2000
World's Best Employers'

Every day

42,875 employees

work passionately to achieve and maintain the excellence that has become synonymous with us. This gives us the confidence to take every challenge by its horns, using it as a stepping-stone to our next opportunity, and charge strongly ahead into the future.

Our Vision

Our goal is to be among the top 50 most admired global brands by 2021 and we are confident that it is our people who will get us there.

We are building our workforce through practices and policies that nurture talent, foster stronger bonds and create future leaders across our businesses. Our two-tier HR approach, one at the Group level and the other at the Business level, enables us to align policies and undertake bespoke employee engagement initiatives throughout the Company.

The Mahindra Employee Value Proposition

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

ENABLING TRANSFORMATION

ENSURING GROWTH



Challenge Conventions



Bring Alternative Thinking to the Workplace



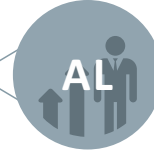
Drive Positive Change in the Lives of Our Customers & Communities



Recognition for Outperformance



Empowering Environment



Abundant Learning Opportunities

Employee Engagement

While we pride ourselves in our people comprising some of the finest talents, we leave no stone unturned in nurturing, strengthening and retaining them through continual engagements. As each of them plays a significant role in our growth and progression, we constantly work to create more opportunities that are designed to raise the employees to their full capabilities. In doing so, together with our employees, are always equipped and empowered to rise above every challenge.



Women at Work

Women are a crucial part of our workforce, without whom our stellar growth story would have been impossible. We make every effort to invest in their career progression and encourage women of our workforce at every stage, particularly at the decision-making level.



At Mahindra, our women-centric talent development initiatives ensure equal opportunities for women to progress in their careers. We have formulated policies and undertaken several initiatives in this regard such as:

Women Leaders Programme

An 18-month developmental programme to reduce the gender gap and create a pipeline of female leaders and change agents (in association with SP Jain Institute of Management & Research, Mumbai).

Second Career Internship & Full-time Employment Programme

To help relaunch the careers of women planning to return to work after a break

Women Engineers & Technicians in Manufacturing

To train and empower women in areas dominated by men, which has resulted in over 17 women employees working on the shop-floor of Swaraj division.

Diversity & Inclusion

At Mahindra, we celebrate the uniqueness of every individual by fostering an environment of inclusion and empowerment across every unit and department. We have in place group and sector level diversity councils to advocate the relevance of Diversity & Inclusion (D&I) and inculcate an inclusive working environment. These councils proactively develop D&I strategies that ensure every employee is treated with respect and dignity, irrespective of their gender, race, religion, ethnicity, or disabilities. In a culture of inclusive diversity, we recognise our full potential.



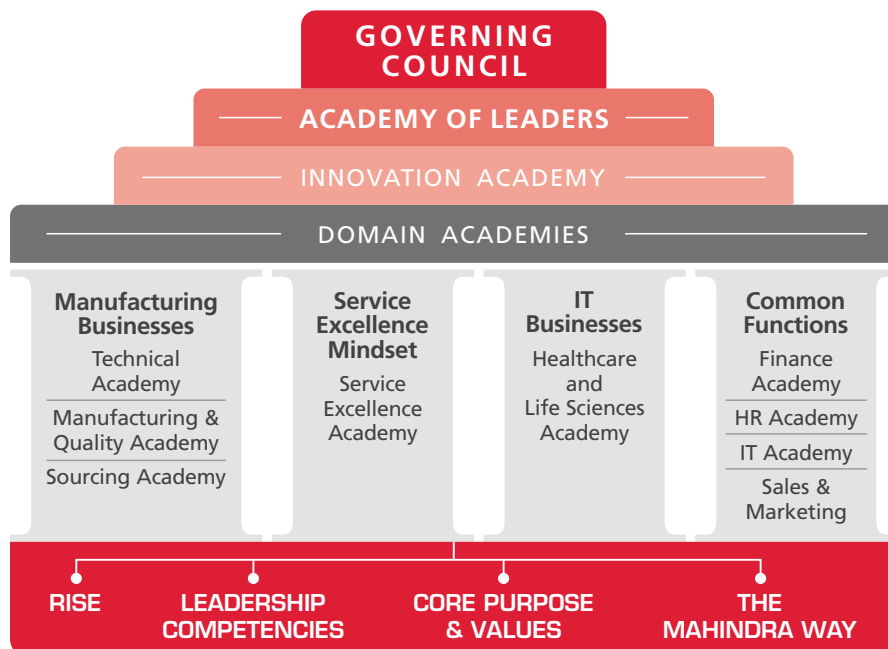
Mahindra Leadership University

The Mahindra Leadership University (MLU) is a strategic initiative to create admiration in the way we groom and develop talent. It has a strong governance mechanism and developmental framework consisting of a network of academies to create leaders with both leadership and domain capabilities. MLU has conducted a total of 115 offerings, including 32 unique offerings at the Group Level in F19.

Some of its important flagship programmes are:

- Future Leadership Programme (with IMD, Lausanne and Yale, USA)
- Mahindra Universe Programme (in collaboration with Harvard University)
- Global Programme for Management Development (with Ross School of Business, University of Michigan)

The 3+5 Framework is integral to the Reflective Conversation Programmes to foster culture and create explorations.



The 3+5 is a strategic tool to unleash human potential

It consists of 3 RISE Pillars



and 5 RISE Leadership Characteristics

- 

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

Multipliers and not Diminishers
Multipliers of passion, energy, commitment, engagement and a sense of ownership
- 

Managing Fear and Leveraging Failure
Creating a culture where people take risks, do rapid prototyping, fail fast & create feedback loops that learn from failure
- 

Mindfulness
Being here and now and open to all possibilities
- 

Trust
Building Authenticity

FOCUSSED ON SUSTAINABILITY

SOCIAL

Creating long-term value in any organisation stems from sustaining symbiotic relationships with its stakeholders. Be it direct stakeholders like vendors, customers or employees, or indirect stakeholders like society, community and government, maintaining accountability, responsibility and trust is what generates a lasting relationship.

At Mahindra, we are committed to create maximum positive impact by architecting a bright future not only for us, but also for the communities in which we operate. As we RISE on the global stage, we work on a local level ensuring inclusive development that's designed to uplift all sections of the society.



Our CSR initiatives are designed to engage, enhance and empower the lives of communities around us. In F19, with a total investment of ₹ 93.50 crore towards various social interventions in the domains of education, health and environment, we positively impacted the girl child, youth and farmers. By strengthening these crucial cogs of our community, we aim to fuel progress that permeates every strata of the society.

CSR Projects

■ Project Nanhi Kali

Nanhi Kali is a flagship CSR project that supports the education of underprivileged girls in India. Currently, the project supports the education of 1,65,291 Nanhi Kalis across 3,860 schools and 6,203 academic support centres, in 10 states.

The project provides 360-degree support to girls from Class 1 to 10, including two hours of free after school remedial classes every day, a school supply kit with uniforms, shoes, notebooks, stationery, school bags and feminine hygiene essentials. Through digital tablets, 71,394 girls in secondary schools have access to pre-loaded, smart educational content.

The Nanhi Kali team also works to sensitise parents and communities on the importance of educating girls and to become their collective guardians.



Supporting the education of **66,348 girls** the Mahindra Group is the largest donor to the cause. Of these, M&M Ltd. supports **18,974 Nanhi Kalis**

■ Mahindra Pride Schools (MPS)

The Mahindra Pride School is a unique 90-day livelihood training programme for youth from socially and financially disadvantaged communities. With a 100% placement record, the 9 schools in Pune, Patna, Chandigarh, Srinagar, Hyderabad, Varanasi and three in Chennai, trained and placed 6,561 students in F19. Of the 9 schools, M&M Ltd. supported the schools in Chandigarh, Srinagar, Hyderabad, Varanasi and one school in Chennai, which together skilled 3,108 students in F19. Till date, 33,235 students have been trained through this programme.

In F19, an additional 1,19,349 students were trained through

2,597 Mahindra Pride Schools

conducted through ITIs, Polytechnic and Arts & Science Colleges in 14 States.



Of these, **79,566 students** were supported by M&M Ltd. The Mahindra Pride Classrooms provide 40-120 hours of training to final-year students on topics that include English speaking, life skills, aptitude tests, interviews, group discussions and digital literacy.

■ Lifeline Express

Lifeline Express - the world's first hospital on rails, reaches the economically weaker patients in geographically remote territories, to provide free medical services. In F19,

11,119 people received medical and diagnostic services through the Lifeline Express at Arrah, Bihar.



■ Project Hariyali

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



The Mahindra Group planted over 1.45 million trees

in F19 under the project, out of which Mahindra & Mahindra planted 0.95 million trees, taking the total tally to 16.41 million trees till date. Of these, 0.83 million trees were planted in the Araku Valley, which besides greening the environment, also provided livelihood support to tribal farmers growing coffee in this region.

■ Integrated Watershed Management Programme

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

Implemented in

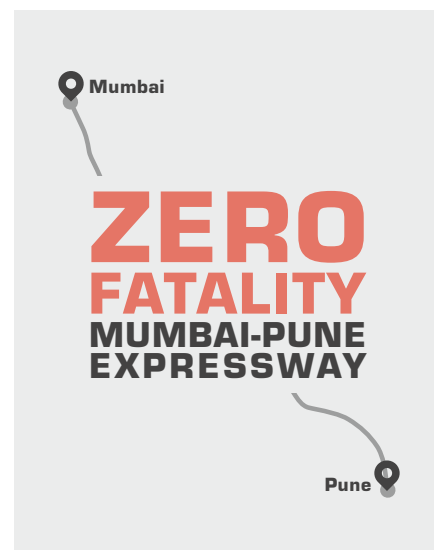
48 villages

(35 villages in Bhopal and 13 villages in Hatta), this project will help by increasing agricultural productivity and improving overall standard of life benefitting

41,112 people residing in these villages.

■ Saving Lives with Safer Roads

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



Employee Social Options (ESOPs)



A long-running Employee Volunteering Programme, ESOPs is where Mahindra employees channelise their knowledge to address the needs of the local communities.

In F19,

91,351 ESOPs volunteers

from the Mahindra Group, contributed 5,95,311 person-hours for various social initiatives.

Of these, around

26,126 M&M employees

contributed 1,88,833 person-hours towards giving back to the society.








Stakeholder Engagement

Meaningful engagement with all our stakeholders is essential to address their concerns and meet their expectations. With dynamic mechanisms deeply integrated into our strategies and plans, we incorporate feedback from our suppliers, customers, employees and investors, into our policies and processes on a regular basis.



■ Our Stakeholder Engagement Mechanisms

With employees as our partners, suppliers and dealers as our allies, and local communities as our hosts, we deliver products and services that not only serve but also delight our customers. Thus, our engagement mechanisms are developed and updated based on the needs of our different stakeholders.

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

■ Online Presence for Mahindra Rise

In the digital sphere, we engage online with our stakeholders through our corporate brand handle - Mahindra Rise, that allows us to voice our narrative and respond in real time to stakeholder sentiments.

 **8,94,080**
likes

 **12,80,509**
followers

 **1,46,006**
followers



**ANNUAL REPORT
2018-19**

MAHINDRA & MAHINDRA LTD.

Corporate Information

COMMITTEES OF THE BOARD

Audit Committee

Mr. T. N. Manoharan - *Chairman*
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. R. K. Kulkarni

Stakeholders Relationship Committee

Mr. R. K. Kulkarni - *Chairman*
Mr. Anand G. Mahindra
Dr. Pawan Goenka
Dr. Vishakha N. Desai

Governance, Nomination and Remuneration Committee

Mr. M. M. Murugappan - *Chairman*
Mr. Nadir B. Godrej
Mr. Vikram Singh Mehta
Mr. R. K. Kulkarni

Corporate Social Responsibility Committee

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

Strategic Investment Committee

Mr. Anand G. Mahindra - *Chairman*
Mr. Nadir B. Godrej
Mr. Vikram Singh Mehta
Mr. Anupam Puri
Mr. T. N. Manoharan

Loans & Investment Committee

Mr. Anand G. Mahindra - *Chairman*
Dr. Pawan Goenka
Mr. R. K. Kulkarni
Mr. Vikram Singh Mehta

Research & Development Committee

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

Risk Management Committee

Dr. Pawan Goenka - *Chairman*
Mr. Nadir B. Godrej
Mr. M. M. Murugappan
Mr. R. K. Kulkarni
Mr. T. N. Manoharan

Chairman Emeritus

Mr. Keshub Mahindra

Board of Directors

Mr. Anand G. Mahindra
Executive Chairman

Dr. Pawan Goenka
Managing Director

Mr. Nadir B. Godrej

Mr. M. M. Murugappan

Mr. R. K. Kulkarni

Mr. Anupam Puri

Dr. Vishakha N. Desai

Mr. Vikram Singh Mehta

Mr. T. N. Manoharan

Mr. Vijay Kumar Sharma
(Nominee of Life Insurance Corporation of India)

Mr. Narayan Shankar
Company Secretary

Bankers

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

Auditors

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

Advocates

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

Registered Office

Gateway Building,
Apollo Bunder,
Mumbai - 400001,
India



**BOARD'S
REPORT**

Board's Report

Dear Shareholders

Your Directors present their Report together with the audited financial statements of your Company for the year ended 31st March, 2019.

A. FINANCIAL AND OPERATIONAL HIGHLIGHTS

(Rs. in crores)

Particulars	2019	2018
Revenue from Operations.....	53,614	49,445
Other Income	1,689	1,036
Profit before Depreciation, Finance Costs, Exceptional items and Taxation.....	8,328	7,259
Less: Depreciation and Amortisation Expenses.....	1,860	1,479
Profit before Finance Costs, Exceptional items and Taxation	6,468	5,780
Less: Finance Costs	113	112
Profit before Exceptional items and Taxation...	6,355	5,668
Add: Exceptional items.....	(30)	434
Profit before Taxation	6,325	6,102
Less: Tax Expense	1,529	1,746
Profit for the year.....	4,796	4,356
Balance of profit for earlier years.....	25,206	21,781
Less: Transfer to Debenture Redemption Reserve	14	14
Profits available for appropriation.....	29,988	26,123
Add: Other Comprehensive Income/(Loss)* ..	(9)	8
Less: Dividend paid on Equity Shares.....	932	807
Less: Income-tax on Dividend paid.....	80	118
Balance carried forward.....	28,967	25,206

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

Growth in global economic expansion and trade decelerated in the year gone by. Increased trade tensions and tariff hikes between the United States and China and the subsequent impact on other trading partners, took a toll on sentiment. Moreover, economic turmoil in Argentina and Turkey and the associated tightening in financial conditions across Emerging Markets, continued deceleration in China's growth and geopolitical tensions led to a softening in global activity.

Domestic economic activity also slowed down through the year and weakened notably in the second half of

Financial Year 2019. Monetary tightening during the first half of the Financial Year, sharp movements in the Rupee, tighter financial conditions, a deceleration in NBFC lending and a surge in borrowing costs affected NBFC lending post the IL&FS default and impacted growth.

However, even amidst this scenario, your Company recorded an increase of 8.4% in revenue from operations at Rs. 53,614 crores in the year under review as against Rs. 49,445 crores in the previous year.

The Profit for the year before Depreciation, Finance Costs, Exceptional items and Taxation recorded an increase of 14.7% at Rs. 8,328 crores as against Rs. 7,259 crores in the previous year. Profit after tax increased by 10.1% at Rs. 4,796 crores as against Rs. 4,356 crores in the previous year.

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

No material changes and commitments have occurred after the closure of the Financial Year 2018-19 till the date of this Report, which would affect the financial position of your Company. There has been no change in the nature of business of your Company.

Performance Review

■ Automotive Sector:

Your Company's Automotive Sector, posted record total sales of 6,07,548 vehicles (5,37,639 four-wheelers and 69,909 three-wheelers) as against a total of 5,48,508 vehicles (4,90,870 four-wheelers and 57,638 three-wheelers) in the previous year, registering a growth of 10.8%.

In the domestic market, your Company sold a total of 5,69,092 vehicles as compared to 5,20,286 vehicles in the previous year resulting in a growth of 9.4%.

In the Passenger Vehicle (PV) segment, your Company sold 2,54,351 vehicles [including 2,35,362 Utility Vehicles (UVs), 17,451 Vans and 1,538 Cars] registering a growth

of 2.2%, as compared to the previous year's volume of 2,48,859 vehicles [including 2,33,915 UVs, 14,219 Vans and 725 Cars].

In the Commercial Vehicle (CV) segment, your Company sold 2,48,601 vehicles [including 53,149 vehicles <2T GVW, 1,76,203 vehicles between 2-3.5T GVW, 8,235 LCVs in the LCV > 3.5T segment, 176 vehicles in the 7.5-16.2T GVW segment and 10,838 Heavy Commercial Vehicles (HCVs)] registering a growth of 14.7% over the previous year's volume of 2,16,802 commercial vehicles, [including 41,305 vehicles < 2T GVW, 1,58,269 vehicles between 2-3.5T GVW, 7,744 LCVs in the LCV > 3.5T segment and 9,484 HCVs].

In the three-wheeler segment, your Company sold 66,140 three wheelers, registering a growth of 21.1% over the previous year's volume of 54,625 three wheelers.

For the year under review, the Indian automotive industry (except 2W) grew 6.4%, with the PV industry growth of 2.7% and CV industry growth of 17.6%. The UV segment of the PV industry had a very nominal growth of 2.1% as against a growth of 21% in Financial Year 2018. The LCV<3.5T segment grew 22.4% while the HCV goods segment grew 10.2%.

Your Company's UV volume stood at 2,35,362 units, a growth of 0.6%. **The UV market share for your Company stood at 25%.** Your Company strengthened its UV portfolio with the launch of Marazzo in September, 2018, Premium SUV Alturas G4 in November, 2018 and the Stylish and Thrilling XUV300 in February, 2019. All three launches were well received by the market and media. As a result of the new launches, the UV market share for the Fourth Quarter of the Financial year 2019 stood at 27.9%. Scorpio, XUV500 and Bolero continued to be strong brands for your Company in the UV segment.

Your Company is the pioneer for Electric Vehicles (EVs) in India, and for the year under review, sold [along with its subsidiary Mahindra Electric Mobility Limited (MEML)] 10,276 EVs (1,811 four wheelers and 8,465 three wheelers) as against 4,026 EVs in the previous year. This growth is supported by the Governments' thrust on adopting EVs, and sustained effort by your Company in working with various stakeholders, especially fleet operators.

In the LCV<3.5T segment, your Company retained its No.1 position with a 44.5% market share. Your Company sold a total of 2,29,352 vehicles in this segment, which is a growth of 14.9% over the previous year. The LCV<3.5T

segment has two sub segments viz. LCV<2T and LCV 2-3.5T, which is the Pik-UP segment. Your Company has a market share of 22.6% and 62.9% in the two sub segments respectively.

In the HCV segment, your Company sold 10,838 trucks as against 9,484 in the previous year. This is a growth of 14.3%. The Blazo series of trucks which are backed by guarantees on mileage and service are instrumental in building the brand and growing sales. **Your Company's market share in the HCV segment stands at 4.6%.**

During the year under review, your Company posted an export volume of 38,456 vehicles as against the previous year's exports of 28,222 vehicles. This is a growth of 36.3%. This is the highest ever exports by your Company.

The spare parts sales for the year stood at Rs. 2,340.6 crores (including exports of Rs. 284 crores) as compared to Rs. 2,103 crores (including exports of Rs. 195.3 crores) in the previous year, registering a growth of 11.3%.

■ Farm Equipment Sector

Your Company's Farm Equipment Sector recorded total sales of 3,30,436 tractors (domestic + export) as against 3,19,623 tractors sold in the previous year thus recording a growth of 3.4%. This includes 3,403 tractors sold under the Trakstar brand, which is the third brand of your Company under the subsidiary Gromax Agri Equipment Limited.

For the year under review, the tractor industry in India recorded sales of 7,87,304 tractors, a growth of 8%. In the first half of the year, the industry had good growth on back of a third consecutive year of good monsoon, increase in MSPs and Governments' thrust on Agriculture and rural development. In the second half of the year, there was a reversal of the sentiment at large, resulting in slowing down of the demand.

In the domestic market, your Company sold 3,16,742 tractors, as compared to 3,04,019 tractors in the previous year, recording a growth of 4.2%. In a very competitive industry, your Company continued its market leadership for the 36th consecutive year, with a market share at 40.2%.

Your Company's growth was driven by good performance of all products under the Mahindra and Swaraj Brands. The new product trio of Mahindra NOVO, YUVO and JIVO have helped build the 'technology leadership' image for the Company. For the year under review, your Company launched Mahindra NOVO 65 and 75 HP tractors in the higher HP segment.

For the year under review, your Company exported 13,555 tractors which is a degrowth of 12.3% over the previous year. This degrowth is due to one-time trade stock correction in key export markets.

Spare parts net sales for the year stood at Rs. 691.7 crores (including exports of Rs. 56.5 crores) as compared to Rs. 605.3 crores (including exports of Rs. 52.9 crores) in the previous year, registering a growth of 14.3%.

Other Businesses

■ Mahindra Powerol

Under the Mahindra Powerol Brand, your Company has been a leader in providing power back-up solutions to the telecom industry for the past 12 years. To cater to changing customer needs, your Company has expanded presence in tele infra management and in the energy management solutions space.

In the retail genset business, your Company is the No. 2 brand by volume, offering a wide range of solutions from Lower KVA range to mid to higher KVA range. With a focus to provide greener solutions, your Company became first in the country to launch Gas Powered Gensets.

■ Construction Equipment Business

For the year under review, your Company (under the Mahindra EarthMaster brand) sold 1,286 Backhoe Loaders (BHLs) against 1,229 in Financial Year 2018, which is a growth of 4.6%. With growth in the infrastructure sector, the BHL market in India grew 24.5% over the previous year. Your Company continues to be at 4th position in the BHL industry.

Your Company has presence in the fast-growing road construction equipment business through motor graders (under the Mahindra RoadMaster brand). For the year under review, your Company sold 319 motor graders as against 164 in the Financial Year 2018.

■ Two-Wheeler Business

For the Financial Year 2018-19, your Company sold 10,496 two-wheelers (including 6,480 exports).

In line with the revised strategy for the two-wheeler business, your Company through its subsidiary, Classic Legends Private Limited (CLPL) reintroduced the iconic brand 'Jawa' to the Indian market with the launch of new range of JAWA motorcycles - Jawa and Jawa Forty Two.

Current Year's review

During the period 1st April, 2019 to 28th May, 2019, 69,280 vehicles were produced as against 72,813 vehicles and 65,200 vehicles were dispatched as against 67,244 vehicles during the corresponding period in the last year. During the same period 53,715 tractors were produced and 52,016 tractors dispatched as against 56,961 tractors produced and 57,290 tractors dispatched during the corresponding period in the previous year.

Going forward, economic activity is likely to be supported by several favourable factors. The India Meteorological Department has forecast 'a near normal monsoon' for the coming season. Bank credit off-take has improved and is becoming increasingly broad-based and there has been an increase in financial flows to the commercial sector. Further, the Reserve Bank of India has cut policy rates by 50 basis points in early 2019 and is expected to remain accommodative as inflation is projected to remain below its target level of 4% during the year. Importantly, stability in crude oil and other commodity prices too may bode well for growth.

However, there could be headwinds from greater than expected moderation in global growth and global trade as well as unanticipated volatility in global financial markets.

Finance

Financial Year 2018-19 started on a strong note, however cracks began to appear towards the second half of the year as the global expansion – while persisting overall – became more divergent. Business activity softened on account of trade tensions between the United States and China, ambiguity on Brexit and tightening of financial conditions amidst policy uncertainty. Global GDP which grew at a multi-year high of 3.8% in 2017, dropped to 3.6% in 2018 and is expected to taper down to 3.3% in 2019 as per IMF estimates.

The growth momentum in US remained strong amid strong employment generation and consumption growth, however the global headwinds have made the Federal Reserve pause on its interest rate hike path. Euro area economy lost more momentum than expected as consumer and business confidence weakened across all major economies causing the European Central Bank to remain accommodative for longer than expected.

Crude oil prices saw huge volatility during the financial year reflecting supply influences, including US policy on Iranian oil exports and fears of softening global demand.

Emerging market economies had a turbulent year as they contended with rising US interest rates, strengthening dollar, trade tensions and volatile crude prices. Countries with weaker fundamentals and homegrown problems such as Argentina and Turkey were the hardest hit. China's economic growth rate which has been in a secular decline was the most affected by trade uncertainties. To ease the pressure on the economy and prevent a dramatic slowdown, Chinese officials steadily increased stimulus and also sought to control its burgeoning debt levels.

On the domestic front, while India remained one of the global outperformers in terms of growth, the momentum showed moderation in the second half. Consumer Price inflation declined sharply since mid-2018 driven by the sustained fall in food inflation, with the full year inflation printing at 3.4% against RBI's target of 4%. RBI which raised policy rates by 50 bps in the first half of the year in response to the impact of Fed rate hikes, felt confident to give a 25 bps cut towards the end of the year supported by benign inflation and slowing growth.

The Indian rupee too came under sustained pressure during the first half due to higher crude oil prices and foreign portfolio outflows touching an all-time high of 74.48 in October, 2018. However, in the later part of the financial year, moderation in international crude oil prices, a dovish US Fed policy stance, buoyed appetite for emerging market assets led to an appreciation bias with Rupee closing the year at 69.20. The financial markets went through a challenging year as non-banking financial companies (NBFCs) suffered liquidity issues, raising concerns of systemic risk and liquidity across the entire financial system. Systemic Liquidity was under pressure throughout the year leading the RBI to inject a total liquidity of Rs. 2.98 lakh crore in the market in 2018-19. Due to credit concerns coupled with tight liquidity, the transmission of RBI rate cuts is yet to be seen.

Your Company continued to focus on managing cash efficiently and ensured that it had adequate liquidity and back up lines of credit. During the year, your Company availed short term trade finance, including factoring of receivables. As on 31st March, 2019, Rs. 448.54 crores of short term trade finance, including receivables factored, was outstanding. During the year, your Company repaid Rs. 151.54 crores of long term borrowings from internal accruals.

The Company's Bankers continue to rate your Company as a prime customer and extend facilities/services at prime rates. Your Company follows a prudent financial

policy and aims not to exceed an optimum financial gearing at any time. The Company's total Debt to Equity Ratio was 0.08 as at 31st March, 2019.

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

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

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

Investor Relations (IR)

Your Company continuously strives for excellence in its IR engagement with International and Domestic investors and has set up feedback mechanism to measure IR effectiveness. Structured conference calls and periodic investor/analyst interactions including one-on-one meetings, participation in investor conferences, quarterly earnings calls, Video Conferencing across various key geographies and annual analyst meet with the Chairman, Managing Director and Business Heads were organised during the year. Your Company interacted with around 685 Indian and overseas investors and analysts (excluding quarterly earnings calls and specific event related calls) during the year. Your Company always believes in leading from the front with emerging best practices in IR and building a relationship of mutual understanding with investor/analysts. As a key milestone in this continuing endeavour, your Company created a digital interactive annual review of the Company's performance on the Corporate website to provide an interactive experience beyond what is

available in the Annual Report. The Company had created its first Integrated Annual Report (for Financial Year 2018). Your Company also continues to organise con-call on Environment, Social and Corporate Governance (ESG) for analysts and investors, which has received excellent feedback from investors and ESG analysts for this pioneering initiative. Your Company ensures that critical information about the Company is available to all the investors by uploading all such information at the Company's website. Your Company has created a 'Group Investor Relations Council' to share best practices across all the listed Group Companies and learn from each other. Your Company has also been nominated for the IR Magazine Awards – India 2019 in 3 categories namely Best financial reporting (large cap), Best use of media and technology and Best investor meetings (large cap).

Dividend

Your Directors are pleased to recommend a dividend of Rs. 8.50 per Ordinary (Equity) Share of the face value of Rs. 5 each on the Share Capital, payable to those Shareholders whose names appear in the Register of Members as on the Book Closure Date. The equity dividend outgo for the Financial Year 2018-19, inclusive of tax on distributed profits (after reducing the tax on distributed profits of Rs. 86.58 crores on the dividends declared by subsidiaries as of the date of this report and receivable during the current Financial Year 2019-20) would absorb a sum of Rs. 1,187.35 crores [as against Rs. 1,054.53 crores comprising the dividend of Rs. 7.50 per Ordinary (Equity) Share of the face value of Rs. 5 each on the enhanced share capital and tax thereon paid for the previous year]. Further, the Board of your Company decided not to transfer any amount to the General Reserve for the year under review.

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

Dividend Distribution Policy

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

B. CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company, its subsidiaries, associates and joint ventures prepared in

accordance with the Companies Act, 2013 and applicable Indian Accounting Standards along with all relevant documents and the Auditors' Report form part of this Annual Report. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies, associates and joint ventures.

The Financial Statements as stated above are also available on the website of the Company and can be accessed at the Web-link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

Subsidiary, Joint Venture and Associate Companies

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

Tech Mahindra Limited, Flagship Company in the IT Sector, has reported a consolidated operating revenue of Rs. 34,742 crores in the current year as compared to Rs. 30,773 crores in the previous year, an increase of 13%. Its consolidated profit after tax after non-controlling interests is Rs. 4,298 crores as compared to Rs. 3,800 crores in the previous year, an increase of 13%.

The Group's finance company, Mahindra & Mahindra Financial Services Limited (Mahindra Finance), reported a consolidated operating income of Rs. 10,372 crores during the current year as compared to Rs. 7,884 crores in the previous year, a growth of 32%. The consolidated profit after tax after non-controlling interests for the year is Rs. 1,827 crores as compared to Rs. 1,185 crores in the previous year, a growth of 54%.

Mahindra Lifespace Developers Limited, the subsidiary in the business of real estate and infrastructure registered a consolidated operating income of Rs. 593 crores as compared to Rs. 566 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 120 crores as compared to Rs. 101 crores in the previous year.

Mahindra Holidays & Resorts India Limited, the subsidiary in the business of timeshare registered a consolidated operating income of Rs. 2,239 crores as compared to Rs. 2,317 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 60 crores as compared to Rs. 132 crores in the previous year.

Mahindra Logistics Limited, a listed subsidiary in the logistics business has registered a consolidated operating income of Rs. 3,851 crores as compared to

Rs. 3,416 crores in the previous year, an increase of 13%. The consolidated profit after tax after non-controlling interests for the year is Rs. 86 crores as compared to Rs. 64 crores in the previous year, an increase of 34%.

Ssyangyong Motor Company, the Korean subsidiary of the Company has reported revenues of Rs. 24,184 crores in the current fiscal year as compared to Rs. 20,410 crores in the previous year. The loss for the year is Rs. 345 crores as compared to loss of Rs. 498 crores in the previous year.

The consolidated group profit before exceptional item and tax for the year is Rs. 7,280 crores as against Rs. 6,590 crores in the previous year – a growth of 10.47%. The consolidated profit after tax after non-controlling interest and exceptional items for the year is Rs. 5,315 crores as against Rs. 7,510 crores in the previous year.

During the year under review, Mahindra Susten Bangladesh Private Limited, Mahindra Knowledge Park Mohali Limited, Blitz 18-371 GmbH, Ssangyong Australia Pty Limited, Mahindra Summit Agriscience Limited, Mahindra Automotive Mauritius Limited, Mahindra Top Greenhouses Private Limited, Passeport Sante SL, PT Mahindra Accelo Steel Indonesia, Harkey Acquisition, L.L.C., USA, MSPE Urja S.R.L. and Mahindra Armored Vehicles Jordan, LLC. became subsidiaries of your Company.

Subsequent to the year end, Mahindra Finance CSR Foundation (Section 8 company) became subsidiary of your Company.

During the year under review, Merakisan Private Limited, Gipp Aero Investments Pty Ltd, Aerostaff Australia Pty. Ltd, Mahindra Sanyo Special Steel Private Limited and Kiinteistö Oy Himoksen Tähti 2, Finland ceased to be subsidiaries of your Company.

Subsequent to the year end, Orizonte Business Solutions Limited ceased to be a subsidiary of your Company.

During the year under review, Mahindra Retail Private Limited was converted into a Public Limited Company and accordingly changed its name to Mahindra Retail Limited. Further, Blitz 18-371 GmbH changed its name to Automobili Pininfarina GmbH, Industrial Cluster Private Limited changed its name to Mahindra Industrial Park Private Limited, Mahindra Racing SpA changed its name to PMTC Engineering SpA, Mahindra Bebanco Developers Limited changed its name to Mahindra Bloomdale Developers Limited, Harkey Acquisition, L.L.C., USA changed its name to Automobili Pininfarina Americas Inc. and EPC Industrié Limited changed its name to Mahindra EPC Irrigation Limited.

Subsequent to the year end, Machinepulse Tech Private Limited changed its name to Mahindra Teqo Private Limited and Passeport Sante SL changed its name to Holiday Club Canarias Vacation Club SLU.

During the year under review, Mahindra Ideal Lanka (Private) Limited and Mahindra Sanyo Special Steel Private Limited became Associates of your Company.

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

The Policy for determining material subsidiaries as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

C. JOINT VENTURES, ACQUISITIONS AND OTHER MATTERS

Resson

Your Company acquired a 10% equity stake on a fully diluted basis in Resson Aerospace Corporation, a start-up based in Canada and focussed on precision agriculture solutions, by subscribing to 800,402 Series C Preferred Shares. Resson uses imagery analytics to develop artificial intelligence based solutions to assist farmers in predicting anomalies in crops and to take preventive action. This investment is a step in your Company's aim to bring pioneering technology to Indian farming.

Sampo

During the year, your Company increased its shareholding in Sampo Rosenlew, OY, from 35% to 49%, by investing approximately Euro 4.66 million. Sampo Rosenlew, based in Finland, makes combine harvesters with markets in Europe, Africa and CIS.

Joint Venture between EPC Industrié Limited and Top Greenhouses Ltd

During the year, Mahindra EPC Irrigation Limited (formerly known as EPC Industrié Limited), a subsidiary of the Company, formed a Joint Venture with Top Greenhouses Ltd, an Israeli company, wherein Mahindra EPC Irrigation Limited holds a 60% equity stake. Top Greenhouses is a leading player in Israel for protected cultivation, and the Joint Venture is expected to bring world-class greenhouse technology to Indian farmers.

OFD sold 40% stake in its subsidiary ODA to Advantage Group

During the year, Origin Fruit Direct B.V. ("OFD") based out of Netherlands, an indirectly owned subsidiary of your Company sold 40% stake in its subsidiary named Origin Direct Asia Ltd., Hong Kong ("ODA") to Advantage Group Holdings Ltd. ("Advantage"). Advantage is an affiliate to Zest Fruit Pty Ltd. ("Zest") based out of South Africa which is a large grower/distributor of fruits. Prior to the transaction, Zest was a supplier of fruits to OFD and intended to expand its operations in China through an investment in ODA. As part of the overall transaction, there is a long-term supply agreement that has been executed between ODA and Zest. By entering into this relationship it is envisaged that ODA's market position would strengthen due to its "direct linkage" to Zest, a major grower resulting in security of stable fruit supply for ODA.

Mahindra Agri enters into Crop Care JV with Sumitomo Corporation

In October, 2018, Mahindra Agri Solutions Limited ("MASL"), a subsidiary of your Company entered into a definitive agreement with Sumitomo Corporation, Japan ("SC") to form a joint venture company named Mahindra Summit Agriscience Limited ("MSAL") to be held 60% by MASL and 40% by SC. As a first step MASL spun-off its existing Crop Care business into MSAL, pursuant to which in April, 2019, SC along with its affiliates purchased a 40% stake in MSAL from MASL. The combined strength of both the shareholders will leapfrog MSAL into the next orbit of growth. The partnership envisages a pipeline of specialty, new generation products with unique and latest molecules to effectively manage pest and insect related challenges faced by farmers. With this, MASL became the first Indian company to have a JV partner that has deep relationships with large Japanese R&D houses.

Automobili Pininfarina, the World's Newest Sustainable Luxury Car Brand

During the year, your Company incorporated a new step down subsidiary named Automobili Pininfarina GmbH ("AP") based out of Munich, Germany. Currently, AP is 100% owned by a newly incorporated Mauritian holding company named Mahindra Automotive Mauritius Ltd. AP will design, engineer and manufacture high technology, extreme performance and luxury electric vehicles. The intention is to launch an electric hypercar in 2020 offering extreme performance.

In May 2016, your Company's Joint Venture entity (held 40% by the Company and 60% by Tech Mahindra) had acquired a majority stake in Pininfarina SpA. AP will leverage Pininfarina's legendary automotive design expertise.

Capital Raising by Ssangyong Motor Company, a South Korean listed subsidiary of your Company through a Third Party Allotment Process

During the year under review, Ssangyong Motor Company ("SYMC"), a South Korean listed subsidiary of your Company, received approval of its Shareholders in October, 2018 for raising KRW 50 billion through equity issuance at a minimum price of KRW 4,200 per share, to meet future capex requirement for new product development and to strengthen its Balance Sheet.

Pursuant to this, and as approved by SYMC's Board of Directors, in January, 2019, SYMC issued 1,18,90,606 shares at a price of KRW 4,205 per share, by way of Third Party Allotment process, in accordance with Korean Regulations. Your Company was the sole subscriber to this issuance and invested KRW 50 billion (approximately Rs. 316.5 crores). Consequently, your Company's equity stake in SYMC increased from 72.46% to 74.65%.

Consolidation of Smartshift and Porter

Orizonte Business Solutions Limited ("Smartshift") was a step down subsidiary of your Company which owned and operated a technology enabled load exchange marketplace platform for matching the needs of cargo owners with transporters. Resfeber Labs Private Limited ("Porter") is in a similar business. As mentioned in the last Annual Report of your Company, in order to leverage synergies and obtain greater economies of scale for both businesses, your Company agreed to a Scheme to merge Smartshift and Porter and make additional investments into both these entities.

The National Company Law Tribunal approved the Scheme and the Scheme has been made effective from 25th April, 2019. Pursuant to the merger being effective, Smartshift ceased to be a subsidiary of the Company. Post-merger, the shareholding of your Company and its subsidiaries in Porter (the combined entity) taken on a fully diluted basis is 30.8% for the Company, 2.5% for Mahindra & Mahindra Financial Services Limited and 6.9% for Mahindra Trucks and Buses Limited.

Mahindra and Ford strengthen ongoing strategic collaboration

In the Financial Year 2017-18, your Company had announced its intent to explore a strategic alliance with Ford Motor Company ("Ford"), to leverage Ford's global reach and expertise and your Company's scale in India and its successful operational model during a period of unprecedented transformation in the global automotive industry. To that end the Company had signed several MoUs with Ford which included specific areas of connected vehicle projects, battery electric vehicle, powertrains and product development of mid-size and compact SUVs.

In pursuance of the above, your Company and Ford signed definitive agreements for:

- Powertrain sharing: As part of this arrangement, your Company would supply Bharat Stage VI (BS-VI) compliant gasoline engines to Ford for product programs in India.
- Connected car: As per this agreement, your Company and Ford would jointly develop connected vehicle solutions to be deployed across your Company's and Ford products.
- Development and supply of SUVs: This arrangement entails development, manufacturing and supply of a new mid-size SUV on a Mahindra product platform by your Company for Ford.

The above agreements are significant steps towards strengthening the ongoing strategic collaboration between your Company and Ford.

Mahindra First Choice Services Limited acquires key assets of Carnation Auto (India) Private Limited

During this year, Mahindra First Choice Services Limited ("MFCS"), a subsidiary of your Company, had acquired key assets of Carnation Auto (India) Private Limited ("CAPL" or "Carnation"). This was an asset acquisition under IBC liquidation process (Insolvency & Bankruptcy Code) run by the Official Liquidator of CAPL appointed by an order of National Company Law Tribunal ("NCLT"). MFCS acquired key assets of Carnation's car servicing business including the trademark 'Carnation', its website, software licenses and Carnation's franchisee workshop network. The asset acquisition does not include the liabilities and past dues. This strategic move will strengthen the MFCS business and further consolidate its leadership position in the Indian Automotive Aftermarket Segment.

Divestment in Mahindra Sanyo Special Steel Private Limited

During this year, your Company has sold 26,36,401 Equity Shares (22% of the share capital) of Rs. 10 each in Mahindra Sanyo Special Steel Private Limited ("MSSSPL"), a subsidiary of your Company. Pursuant to this transaction, the shareholding of the Company in MSSSPL has come down from 51% to 29% of its share capital. Consequently, MSSSPL ceased to be a subsidiary of the Company. Consideration received from such sale was Rs. 146,32,02,555. Subsequently MSSSPL has further raised capital from its existing shareholders and due to non-subscription to the capital issue of MSSSPL by your Company, the stake of your Company in MSSSPL has further diluted to 22.81%.

Scheme of Merger by Absorption of Mahindra Vehicle Manufacturers Limited, a wholly owned subsidiary of the Company ("MVML") with the Company

Subsequent to the year end, the Board of Directors of the Company at its Meeting held on 29th May, 2019, subject to requisite approvals/consents, approved the Scheme of Merger by Absorption of Mahindra Vehicle Manufacturers Limited, a wholly owned subsidiary of the Company ("MVML") with the Company and their respective Shareholders ("Scheme") under the provisions of sections 230 to 232 of the Companies Act, 2013. The Appointed Date of the Scheme would be 1st April, 2019 and the entire assets and liabilities of MVML would be transferred to and recorded by the Company at book values. The entire share capital of MVML is held by the Company. Upon the Scheme being effective, all shares (preference and equity) held by the Company in MVML as on the Effective Date shall stand cancelled, without any further act or deed.

D. INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policies guide the conduct of affairs of your Company and clearly delineates the roles, responsibilities and authorities at each level of its governance structure and key functionaries involved in governance. The Code of Conduct for Senior Management and Employees of your Company (the Code of Conduct) commits Management to financial and accounting policies, systems and processes. The Corporate Governance Policies and the Code of Conduct stand widely communicated across your Company at all times.

Your Company's Financial Statements are prepared on the basis of the Significant Accounting Policies that are carefully selected by Management and approved by the Audit Committee and the Board. These Accounting policies are reviewed and updated from time to time.

Your Company uses SAP ERP Systems as a business enabler and to maintain its Books of Account. The transactional controls built into the SAP ERP systems ensure appropriate segregation of duties, appropriate level of approval mechanisms and maintenance of supporting records. The Information Management Policy reinforces the control environment. The systems, Standard Operating Procedures and controls are reviewed by Management. These systems and controls are audited by Internal Audit and their findings and recommendations are reviewed by the Audit Committee which ensures the implementation.

Your Company has in place adequate internal financial controls with reference to the Financial Statements commensurate with the size, scale and complexity of its operations. Your Company's Internal Financial Controls were deployed through Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), that addresses material risks in your Company's operations and financial reporting objectives.

Such controls have been assessed during the year under review taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India. Based on the results of such assessments carried out by Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

Your Company recognises Internal Financial Controls cannot provide absolute assurance of achieving financial, operational and compliance reporting objectives because of its inherent limitations. Also, projections of any evaluation of the Internal Financial Controls to future periods are subject to the risk that the Internal Financial Control may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate. Accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

E. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report, which forms part of this Annual Report.

F. CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions entered during the year were in the ordinary course of business and on arms length basis. During the year under review, your Company had entered into Material Related Party Transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, with Mahindra Vehicle Manufacturers Limited, a wholly owned subsidiary of your Company. These transactions too were in the ordinary course of business of your Company and were on arms length basis, details of which, as required to be provided under section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2 as Annexure II and forms part of this Annual Report.

The Policy on Materiality of and Dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

G. AUDITORS

Statutory Auditors and Auditors' Report

Messrs B S R & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 101248W/W-100022) were appointed as the Statutory Auditors of the Company to hold office for a term of 5 years from the conclusion of the 71st Annual General Meeting (AGM) held on 4th August, 2017 until the conclusion of the 76th AGM of the Company to be held in the year 2022.

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

Secretarial Auditor

Pursuant to the provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Sachin Bhagwat, Practicing Company Secretary (Certificate of Practice Number: 6029) to undertake the Secretarial Audit of the Company.

The Company has annexed to this Board's Report as Annexure III, a Secretarial Audit Report given by the Secretarial Auditor.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark or disclaimer.

Secretarial Audit of Material Unlisted Indian Subsidiary

Mahindra Vehicle Manufacturers Limited ("MVML"), a material subsidiary of the Company undertakes Secretarial Audit every year under Section 204 of the Companies Act, 2013. The Secretarial Audit of MVML for the Financial Year 2018-19 was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of MVML submitted by Mr. Sachin Bhagwat, Practising Company Secretary, does not contain any qualification, reservation or adverse remark or disclaimer.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2018-19 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report duly signed by Mr. Sachin Bhagwat has been submitted to the Stock Exchanges within 60 days of the end of the Financial Year and is annexed at Annexure IV to this Board's Report.

Cost Auditors

The Board had appointed Messrs D. C. Dave & Co., Cost Accountants (Firm Registration Number 000611), as Cost Auditor for conducting the audit of cost records of the Company for the Financial Year 2018-19.

The Board of Directors on the recommendation of the Audit Committee, appointed Messrs D. C. Dave & Co., Cost Accountants (Firm Registration Number 000611), as the Cost Auditors of the Company for the Financial Year 2019-20 under section 148 of the Companies Act, 2013. Messrs D. C. Dave & Co. have confirmed that their appointment is within the limits of section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under section 141(3) and proviso to section 148(3) read with section 141(4) of the Companies Act, 2013.

The Audit Committee has also received a Certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Members' ratification for the remuneration payable to Messrs D. C. Dave & Co., Cost Auditors is included in the Notice convening the Annual General Meeting.

Cost Records

As per Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain cost records and accordingly, such accounts and records are maintained.

Reporting of Frauds by Auditors

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

H. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

Particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security are provided in Note Nos. 6 and 35 to the Financial Statements.

I. PUBLIC DEPOSITS AND LOANS/ADVANCES

Your Company had discontinued its Fixed Deposit Scheme for 36 months with effect from the close of office hours on 31st January, 2014 and has also discontinued acceptance of Fixed Deposits with effect from 1st April, 2014.

All the deposits from public and Shareholders had already matured as at 31st March, 2017. Out of the total outstanding of 41 deposits of Rs. 17.24 lakhs from the public and shareholders as at 31st March, 2019, all deposits amounting to Rs. 17.24 lakhs, had matured and had not been claimed as at the end of the Financial Year. Since then 1 of these deposits of the value of Rs. 0.45 lakhs have been claimed.

There was no default in repayment of deposits or payment of interest thereon during the year under review. There

are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

The particulars of loans/advances/investments, etc., required to be disclosed pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are furnished separately.

The transaction(s) of the Company with a company belonging to the promoter/promoter group which hold(s) more than 10% shareholding in the Company as required pursuant to para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed separately in the Financial Statements of the Company.

J. EMPLOYEES

Key Managerial Personnel (KMP)

The following have been designated as the Key Managerial Personnel of the Company pursuant to sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- (a) Mr. Anand G. Mahindra – Executive Chairman
- (b) Dr. Pawan Goenka – Managing Director
- (c) Mr. V S Parthasarathy – Group CFO & Group CIO
- (d) Mr. Narayan Shankar – Company Secretary

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

Employees' Stock Option Scheme

During the year under review, on the recommendation of the Governance, Nomination and Remuneration Committee of your Company, the Trustees of Mahindra & Mahindra Employees' Stock Option Trust have granted Stock Options to employees under the Mahindra & Mahindra Limited Employees Stock Option Scheme 2010. No Stock Options have been granted to employees under the Mahindra & Mahindra Limited Employees Stock Option Scheme 2000.

The Company has in force the following Schemes which get covered under the provisions of SEBI (Share Based Employee Benefits) Regulations, 2014 (SBEB Regulations):

1. Mahindra & Mahindra Limited Employees Stock Option Scheme – 2000 (2000 Scheme)
2. Mahindra & Mahindra Limited Employees Stock Option Scheme – 2010 (2010 Scheme)
3. M&M Employees Welfare Fund No. 1

4. M&M Employees Welfare Fund No. 2

5. M&M Employees Welfare Fund No. 3

There are no material changes made to the above Schemes and these Schemes are in compliance with the SBEB Regulations. Your Company's Auditors, Messrs B S R & Co. LLP, have certified that the Company's above-mentioned Schemes have been implemented in accordance with the SBEB Regulations, and the Resolutions passed by the Members for the 2000 Scheme and the 2010 Scheme.

Information as required under the SBEB Regulations read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated 16th June, 2015 have been uploaded on the Company's website and can be accessed at the Web-link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

Particulars of Employees and related disclosures

The Company had 258 employees who were in receipt of remuneration of not less than Rs. 1,02,00,000 during the year ended 31st March, 2019 or not less than Rs. 8,50,000 per month during any part of the year.

Details of employee remuneration as required under provisions of section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are available at the Registered Office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any Shareholder on request. Such details are also available on your Company's website and can be accessed at the Web-link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in Annexure V to this Report.

Industrial Relations

The year under review witnessed a very positive Industrial Relations Scenario across all manufacturing locations for the Automotive and Farm Equipment Sectors.

Your Company's focus continues towards propagating proactive and employee centric practices. The transformational work culture initiative that aims to create an engaged workforce with an innovative, productive and a competitive shop-floor ecosystem continues to

grow in strength. Some examples of the programs put in place include 'Rise for Associates', industrial relations skills for frontline officers, cultural diagnostics projects, transformational work culture projects, e-compliance, e-portal for reward and recognition of associates and Code of Conduct for associates. The Transformational Work Culture Committee (TWCC) leads the design and implementation of these programs.

With the objective of developing skills and fostering togetherness at the workplace, your Company implements multiple training and engagement programs on an ongoing basis. These include positive attitude, stress management, creativity, team effectiveness, safety and environment, quality tools, TPM, skill building programs, customer focus and a program for union leadership development.

The Mahindra Skill Excellence initiative is a holistic approach to enhance the skill and capabilities of shop floor associates and has received good participation across manufacturing facilities. As a result of this effort, associates from your Company have participated at various international skill competitions which include Beijing Arc Cup and Euroskills 2018. At the Beijing Arc Cup, a female associate from your Company was awarded as 'Outstanding Female Welder'.

In an endeavor to improve quality, reduce cost, ensure safety and improve productivity, your Company's shop floor associates generated on an average 18 ideas per person.

Significant emphasis was also laid towards raising awareness on health and wellness of employees through annual medical check-ups, health awareness activities. Diet food has become a way of life over the past three years. Your Company maintains an 'Employee Health Index' at an individual level and this has been a useful tool in identifying employees who require focused counselling and monitoring.

Proactive and employee-centric shop floor practices, a focus on transparent communication of business goals, an effective concern resolution mechanism, and a firm belief that employees are the most valuable assets of the Company, are the cornerstone of your Company's employee relations approach. An 'open door policy' with constant dialogue to create win-win situations, have helped your Company build trust and harmony.

The industrial relations scenario continued to be largely positive across all the manufacturing locations. Bonus settlements were amicably agreed upon at all locations.

In a span of 16 months (September, 2017 to March, 2019), nine wage settlements with various Unions were amicably concluded with an overall productivity rise ranging from 10% to 15%.

The sustained efforts towards building a transformational work culture resulted in zero production loss in the Financial Year 2018-19 and helped create a collaborative, healthy and productive work environment.

Safety, Occupational Health and Environment

During the year under review, your Company revised its Safety, Occupational Health & Environment (SOH&E) Policy. The leadership's commitment towards SOH&E, is demonstrated through inclusion of many new compliances along with its voluntary commitments. Implementation of various initiatives under the policy and achievement to set objectives were assessed through management reviews.

At each Plant location, annual events were organised and commemorated like Road Safety Week, National Safety Day/ Month, Fire Service Week. Awareness programs were conducted for all stakeholders through classroom sessions and e-learning modules. To strengthen the safety culture, Behaviour Based Safety (BBS) - Level 2 is being implemented at all Plants.

Your Company carried out statutory safety audits, Fire Equipment Audit, Risk Assessment of Licensed premises, as per the amended legal requirements. For the year under review, your Company achieved substantial reduction in the fire load by way of installation of modern equipment in critical areas and relocation of flammable material as appropriate.

In line with the 'Go Green' philosophy, your Company is continuously adopting new techniques to eliminate and minimize the environmental impact. Various projects have been implemented by your Company in air, water-waste water management and solid waste management. These initiatives are also extended to the supplier community of your Company.

During the year under review, your Company signed agreements with Extended Producer Responsibility Organizations (EPRO) recognized by Pollution Control Boards for 100% integral Plastic Waste Management. These agreements include the plastic waste generated at premises of suppliers and dealers of your Company.

Your Company continued the commitment to improve the wellbeing of employees and contract associates through various activities under project 'Parivartan'. This

includes activities like fitness improvement challenge (MRise), Mindfulness, Walkathon, Yoga, Zumba, medical check-ups, health consultation and counselling. As a result of many initiatives, the average Health index of its employees has improved as compared to the previous year. Further, all locations observed World Health Day, World Heart Day, World Kidney Day and World Diabetes Day. All associates of your Company were trained in First Aid.

To create awareness among society at large, your Company has installed a display screen that displays real time readings for all parameters of Air Quality. This screen is installed just outside the manufacturing plant in Mumbai, which is located on the Western Express highway with high density vehicular traffic.

Your Company has adopted the standard on Global Reporting Initiative (GRI) and has undertaken various projects aimed at climate change mitigation, sustainable source use and protection of bio-diversity. Some examples of successful initiatives are Waste Heat Recovery, Green Platinum rated Buildings in Existing Building Category, Projects for Carbon Neutrality and Solar power installation.

In addition to above, World Ozone Day, World Environment Day, No Print Day, World Earth Day, World Water Day and Energy Conservation Week and Water Conservation Week are observed on an annual basis.

Certifications/Recertifications

All Plants of your Company have been recertified under standard ISO 14001: 2015 and OHSAS 18001: 2007. Further, all Plants are in the process of implementing, integrated management system along with adopting the revised standard ISO 45001:2018.

As a result of efforts over the last few years, nine plants of your Company are certified 'Zero Waste to Landfill', by Intertek USA.

The Company revises its targets under SOH&E year on year, and the performance against these targets are reviewed periodically by Senior Management. Focused initiatives involving all stakeholders coupled with management reviews have helped to improve the SOH&E performance of your Company in the period 2018-19.

K. BOARD & COMMITTEES

Directors

As mentioned in the previous Annual Report, Mr. S. B. Mainak resigned from the Board of the Company and

ceased to be a Director of the Company with effect from 11th May, 2018.

Mr. M. M. Murugappan and Mr. Nadir B. Godrej were re-appointed at the 72nd Annual General Meeting held on 7th August, 2018, as Independent and Non-Executive Directors of the Company for a second term of two consecutive years each commencing from 8th August, 2018 to 7th August, 2020.

Appointment of Mr. Vijay Kumar Sharma

Pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, the Board at its Meeting held on 14th November, 2018, appointed Mr. Vijay Kumar Sharma as an Additional Non-Executive Non-Independent Director of the Company representing Life Insurance Corporation of India, liable to retire by rotation with effect from 14th November, 2018. He shall hold office as an Additional Director upto the date of the Annual General Meeting of the Company to be held on 7th August, 2019.

Mr. Vijay Kumar Sharma, is a Post-Graduate and superannuated as Chairman, Life Insurance Corporation of India on 31st December, 2018. From December, 2010 to November, 2013, he served as Managing Director & Chief Executive Officer, LIC Housing Finance Limited (LICHFL), a premier housing finance company in the country. He is also on the Boards of various companies.

The Company has received the requisite Notice from a Member in writing proposing his appointment as a Non-Executive Non-Independent Director of the Company.

Retirement by rotation

Dr. Pawan Goenka retires by rotation and, being eligible, offers himself for re-appointment at the 73rd Annual General Meeting (AGM) of the Company scheduled to be held on 7th August, 2019.

Re-appointment of Independent Directors for a Second Term

The Governance, Nomination and Remuneration Committee, on the basis of performance evaluation of Independent Directors and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta during their tenure, has recommended to the Board that continued association of Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta as Independent Directors would be beneficial to the Company. Based on the above and the performance evaluation

of Independent Directors, the Board recommends re-appointment of:

- (i) Dr. Vishakha N. Desai for a further period from 8th August, 2019 to 30th April, 2024; and
- (ii) Mr. Vikram Singh Mehta for a further period of five consecutive years commencing from 8th August, 2019 to 7th August, 2024

to hold office as Independent Directors of the Company, not liable to retire by rotation on the Board of the Company. The Company has received the requisite Notices from a Member in writing proposing their appointment as Independent Directors.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Completion of Tenure of Independent Directors

Mr. R. K. Kulkarni and Mr. Anupam Puri would cease to hold office as Independent Directors of the Company from 8th August, 2019, upon completion of their tenure as approved by the Shareholders at the 68th AGM of the Company.

Mr. R. K. Kulkarni has been on the Board of the Company for around 22 years and has enriched the Board with his immense experience in all aspects of corporate law, M&A, litigations, strategy and management, financial reporting and processes. His vast experience in advising large Indian and multinational clients in various business sectors and expertise in legal and fiscal management was pivotal in steering the growth & diversification initiatives of the Company over a period of time.

He has been the Chairman of the Stakeholders Relationship Committee, Member of Audit Committee, Governance, Nomination and Remuneration Committee and other committees of the Board.

Quote from Executive Chairman

“Mr. R. K. Kulkarni joined the Board of the Company in 1997 and played a key role in nurturing the Legal, Compliance and Governance culture of your Company.

Apart from being a leading proponent of governance, ethics and values, he also brought a commercial mindset while framing, evaluating and executing strategies of your Company. This rare combination of qualities added a valuable perspective and dimension to the deliberations and decision making of the Board.

He has always brought a solution based approach to issues while remaining committed to the highest standards of governance and excellence. He has made significant contributions as a Director of the Company and as a member of several of its committees and his inputs have greatly benefited the Board and the Company.

I am grateful for Mr. Kulkarni's counsel and friendship. Even though his term as a Director is ending, he has assured the Management of his continuous availability and support, which the Management will certainly draw upon. I wish him many years of good health and happiness.”

Mr. Anupam Puri has been on the Board of the Company for around 18 years. He brought with him a global mindset and experience in driving business success in markets around the world with an understanding of diverse business environments, economic conditions, sensitivity to cultural diversity and adaptability. He provided thought leadership in business strategy and handling various organizational issues with his immense international knowledge, financial expertise and experience. He has been a Member of the Strategic Investment Committee and has contributed in evaluating various proposals which has enabled the Company build a strong and diversified portfolio of investments with sustainable growth.

Quote from Executive Chairman

“Mr. Anupam Puri, fondly known as “Tino” joined the Board of your Company in 2001.

With his extensive experience in business strategy and financial structuring, he critically and constructively challenged management on various business and growth proposals put forth at the Strategic Investment Committee and the Board, and his concurrence provided valuable validation to the Management and Board in pursuing such opportunities.

Tino's expertise in striking a delicate balance between maintaining independence and governance oversight and providing constructive support to Management (especially on matters of strategy and M&A) has been particularly valuable. He championed the cause of fostering a culture that promotes long-term thinking, discipline, and accountability.

Tino has been on your Company's Board for a long time. The baseline model he has helped to create will continue to guide your Company in its pursuit of organic and inorganic growth opportunities. I wish Tino many years of good health and happiness.”

The Board placed on record its deep appreciation of the valuable services rendered by Mr. R. K. Kulkarni and Mr. Anupam Puri during their tenure as Directors of the Company.

Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfilment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee meetings to fulfil duties assigned to it, adequacy and timeliness of the Agenda and Minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

A separate exercise was carried out by the Governance, Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Executive Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Managing Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process. The Independent Directors and Executive Chairman also carried out performance evaluation of the Managing Director of the Company.

Policies

Your Company has adopted the following Policies which, inter alia, include criteria for determining qualifications, positive attributes and independence of a Director:

(a) Policy on Appointment of Directors and Senior Management and succession planning for orderly succession to the Board and the Senior Management;

(b) Policy for remuneration of the Directors, Key Managerial Personnel and other employees.

Policy (a) mentioned above includes the criteria for determining qualifications, positive attributes and independence of a Director, identification of persons who are qualified to become Directors and who may be appointed in the Senior Management Team in accordance with the criteria laid down in the said Policy, succession planning for Directors and Senior Management, and Policy statement for Talent Management framework of the Company.

Policy (b) mentioned above sets out the approach to Compensation of Directors, Key Managerial Personnel and other employees in the Company.

During the year under review, your Company made changes in the Policies mentioned at (a) and (b) above to align with the amendments made pursuant to the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Policies mentioned at (a) and (b) above are available on the website at the following link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

Familiarisation Programme for Independent Directors/Non-Executive Directors

The Members of the Board of the Company are afforded many opportunities to familiarise themselves with the Company, its Management and its operations. The Directors are provided with all the documents to enable them to have a better understanding of the Company, its various operations and the industry in which it operates.

All the Independent Directors of the Company are made aware of their roles and responsibilities at the time of their appointment through a formal letter of appointment, which also stipulates various terms and conditions of their engagement.

Executive Directors and Senior Management provide an overview of the operations and familiarize the new Non-Executive Directors on matters related to the Company's values and commitments. They are also introduced to the organization structure, constitution of various committees, board procedures, risk management strategies etc.

Strategic Presentations are made to the Board where Directors get an opportunity to interact with Senior Management. Directors are also informed of the various developments in the Company through Press Releases, emails etc.

The Company has a web based portal i.e. Board portal, accessible to all the Directors which, inter alia, contains the following information:

- Roles, responsibilities and liabilities of Independent Directors under the Companies Act, 2013 and the SEBI Listing Regulations.
- Board Minutes, Agenda and Presentations.
- Annual Reports.
- Code of Conduct for Directors.
- Terms and conditions of appointment of Independent Directors.

Pursuant to Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations"), the Company imparted various familiarisation programmes for its Directors including review of Investments of the Company by Strategic Investment Committee, Industry Outlook at the Board Meetings, Regulatory updates at Board and Audit Committee Meetings covering changes with respect to the Companies Act, the Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Prevention of Insider Trading Regulations, SEBI Listing Regulations, Framework for Related Party Transactions, Plant Visit, Meeting with Senior Executive(s) of your Company, etc. Pursuant to Regulation 46, the details required are available on the website of your Company at the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

Directors' Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the Operating Management, and after due enquiry, confirm that:

- (a) in the preparation of the annual accounts for the Financial Year ended 31st March, 2019, the applicable accounting standards have been followed;
- (b) they had in consultation with Statutory Auditors, selected accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit of the Company for the year ended on that date;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the

Company and for preventing and detecting fraud and irregularities;

- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down adequate Internal Financial Controls to be followed by the Company and such Internal Financial Controls were operating effectively during the Financial Year ended 31st March, 2019;
- (f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the Financial Year ended 31st March, 2019.

Board Meetings and Annual General Meeting

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

During the year 1st April, 2018 to 31st March, 2019, five Board Meetings were held on: 29th May, 2018, 7th August, 2018, 14th November, 2018, 7th & 8th February, 2019 and 25th March, 2019. The 72nd Annual General Meeting (AGM) of the Company was held on 7th August, 2018.

Meetings of Independent Directors

The Independent Directors of your Company meet before the Board Meetings without the presence of the Executive Chairman or the Managing Director or other Non-Independent Director or Chief Financial Officer or any other Management Personnel.

These Meetings are conducted in an informal and flexible manner to enable the Independent Directors to discuss matters pertaining to, inter alia, review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Executive Chairman of the Company (taking into account the views of the Executive and Non-Executive Directors), review the performance of the Company, assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Five Meetings of Independent Directors were held during the year and these meetings were well attended.

Audit Committee

The Committee comprises of four Directors viz. Mr. T. N. Manoharan (Chairman of the Committee),

Mr. Nadir B. Godrej, Mr. M. M. Murugappan and Mr. R. K. Kulkarni. All the Members of the Committee are Independent Directors and possess strong accounting and financial management knowledge. The Company Secretary of the Company is the Secretary of the Committee.

All the recommendations of the Audit Committee were accepted by the Board.

L. GOVERNANCE

Corporate Governance

Your Company has a rich legacy of ethical governance practices many of which were implemented by the Company, even before they were mandated by law. Your Company is committed to transparency in all its dealings and places high emphasis on business ethics. A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

Vigil Mechanism

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is implemented through the Company's Whistle Blower Policy to enable the Directors, employees and all stakeholders of the Company to report genuine concerns, to provide for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairman of the Audit Committee.

Whistle Blower Policy of your Company is available on the Company's website and can be accessed at the Web-link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

Further details are available in the Report on Corporate Governance that forms part of this Annual Report.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints

Committee (ICC) has been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this Policy. The Policy is gender neutral.

During the year under review, 4 complaints with allegations of sexual harassment were filed, which were disposed-off as per the provisions of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and as of 31st March, 2019, no complaint was pending.

Business Responsibility Report

The 'Business Responsibility Report' (BRR) of your Company for the year 2018-19 forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Your Company strongly believes that sustainable and inclusive growth is possible by using the levers of environmental and social responsibility while setting aspirational targets and improving economic performance to ensure business continuity and rapid growth. Your Company is committed to leverage 'Alternative Thinking' to build competitive advantage in achieving high shareholder returns through customer centricity, innovation, good governance and inclusive human development while being sensitive to the environment.

Risk Management

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the enterprise. These levels form the strategic defence cover of the Company's risk management. The Company has a robust organisational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee of the Board which is authorised to monitor and review risk management plan and risk certificate. The Committee is also empowered, inter alia, to review and recommend to the Board the modifications to the Risk Management Policy. Further, the Board has constituted a Corporate Risk Council comprising the Senior Executives of the Company. The terms of reference of the Council comprises review of risks and Risk Management Policy on periodic intervals.

Your Company has developed and implemented a Risk Management Policy which is approved by the Board. The Risk Management Policy, inter alia, includes identification of risks, including cyber security and related risks and also those which in the opinion of the Board may threaten the existence of the Company. Risk management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. Further, it is embedded across all the major functions and revolves around the goals and objectives of the organisation.

M. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

Corporate Social Responsibility (CSR)

With a Core Purpose which states that “we will challenge conventional thinking and innovatively use all our resources to drive positive change in the lives of our stakeholders and communities across the world, to enable them to Rise”, it is amply evident that Corporate Social Responsibility is integral to, and at the core of whatever is done at Mahindra. With a deeper understanding of societal issues, your Company has built the ‘Rise for Good’ mission around the four pillars of Community, People, Governance and Environment. With its focus on driving positive change to enable communities to Rise, your Company’s CSR initiatives are designed to support the constituencies of girls, youth and farmers through the domains of education, health and environment. The impact of some of the flagship CSR initiatives that your Company undertook in the last financial year are given below: -

- **Project Nanhi Kali**, supported the education of over 1,65,291 underprivileged girls across 10 States of India. While the Company supported 18,974 Nanhi Kalis, the Mahindra Group supported the education of 66,348 Nanhi Kalis and the balance were supported by other donors. In Financial Year 2019, 71,394 girls at secondary school level were provided access to digital tablets preloaded with smart, audio visual educational content.
- Financial Year 2019 was a milestone year for the **Mahindra Pride Programme**, with the Mahindra Pride Classrooms crossing the 1,00,000 outreach mark. Through 2,597 Mahindra Pride Classrooms, 1,19,349 youth from ITI's, Polytechnics and Arts & Science colleges were trained in English, Lifeskills and job preparedness, across 14 States. Of these 79,566 students were supported by the Company. The

Mahindra Group also supported 9 Mahindra Pride Schools through which 6,561 youth from socially and economically disadvantaged communities were trained in ITES, Retail Hospitality & Auto Service and 100% of them were placed in lucrative jobs. The Company supported 5 Mahindra Pride Schools in Chandigarh, Chennai, Srinagar, Hyderabad and Varanasi through which 3,108 youth received livelihood training.

- Over 4,300 students benefitted through a variety of **Scholarship Programs**, which ranged from providing opportunities to youth from low income group families to undergo diploma courses at vocational education institutes, to allowing meritorious students to pursue their post graduate studies at reputed universities overseas, to allowing meritorious and deserving students to study at the Mahindra United World College in Pune.
- In the area of public health, your Company sponsored its 20th **Lifeline Express** (hospital on a train) in Arrah Bihar, through which medical care, treatment, and surgical intervention was provided to 11,119 individuals.
- Through **Mahindra Hariyali** 0.95 million trees were planted which contributed to improving green cover and protecting bio-diversity in the country. Of these 0.83 million trees were planted in the Araku valley, which besides greening the environment also provided livelihood support to tribal farmers growing coffee in this region. The Mahindra Group as a whole planted 1.45 million trees pan India.
- **The Integrated Water Management Program (IWMP)** in Hatta and Bhopal (Madhya Pradesh) led to increased water availability in 48 villages of Bhopal, thereby directly improving agricultural productivity and increasing farmer income.
- Through the **Wardha Farmer Family Project and Krishi Mitra Project** your Company continued to support small and marginal farmers by training them in effective farming practices including soil health, crop planning, creating model farms with bio-dynamic farming practices, and increasing the water table with a view to increasing crop productivity.
- **Rise for Safe Roads**: The first of its kind in India ‘Road Safety’ project aims to make the Mumbai Pune Express way a near ‘Zero Fatality Corridor’ by 2021. Interventions under 4E’s are conducted i.e. Engineering, Enforcement, Education and

Emergency Response. In addition, long haul truck drivers went through the Anticipatory Driving and Action Prevention Training (ADAPT™) program.

- The unique ESOPs (Employee Social Options) platform provided 26,126 employees a menu of volunteering opportunities enabling them to contribute 1,88,833 - person hours towards giving back to society.

During the last financial year, your Company received a “4 Good” rating from Economic Times, for overall excellence in CSR, as part of the ‘ET2Good4Good’ CSR Rating. Further, your Company was awarded the CII National Award for Excellence in Water Management and FICCI CSR Awards in Environment Sustainability Category for the Integrated Watershed Management Project in Bhopal.

CSR Policy

The Corporate Social Responsibility Committee had formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which was subsequently adopted by it and is being implemented by the Company. The CSR Policy including a brief overview of the projects or programs undertaken can be accessed at the Company’s website through the Web-link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

CSR Committee

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

During the year under review, your Company spent Rs. 93.50 crores on CSR activities. The amount equal to 2% of the average net profit for the past three financial years required to be spent on CSR activities was Rs. 93.37 crores. The detailed Annual Report on the CSR activities undertaken by your Company in Financial Year 2019, is annexed herewith marked as Annexure VI.

Sustainability

During the year under review, the 11th Sustainability Report for the year 2017-18 was released. The report was externally assured by DNV-GL and prepared in accordance with the GRI Standards-Core option.

Your Company continued the focus on the Environmental, Social and Governance (ESG) parameters, in the year under review by implementing Mahindra Sustainability Framework ensuring common language for sustainability

across the Group. This framework defines sustainability as “Building enduring businesses by rejuvenating the environment and enabling stakeholders to rise”. Under the three pillars People, Planet and Profit of Sustainability Framework; various actions have been identified for implementation across the Group. Many of these actions are already underway as demonstrated by the Igatpuri Plant being certified as ‘Carbon Neutral’. Rudrapur, Nagpur and Jaipur are certified as ‘Zero Waste to Landfill’ plants.

Mr. Anand G. Mahindra, Executive Chairman of your Company is on the Governing Board of United Nations Global Compact. He was a co-chair at the Global Climate Action Summit held in September, 2018 in San Francisco, California.

Your Company has committed to adopt Science Based Target to restrict average global temperature rise to 2 degree Celsius in alignment of Paris Climate Change Agreement.

The Sustainability performance for your Company for the Financial Year 2018-19 will be elaborated in detail in the GRI Report which is under preparation and will be ready for release shortly.

Your Company was recognized for its leadership position on the ESG dimensions during the year under review, by way of:

- Winning Asia Sustainability Reporting Award 2018 – Best Supply Chain Reporting.
- Winning Asia Sustainability Reporting Award 2018 – Best Carbon Disclosure.
- Indian Chamber of Commerce “India Corporate Governance & Sustainability Vision” Awards.
- Retaining the status of getting listed on the Dow Jones Sustainability Index – 2018 under the ‘Emerging Market Index’ for fifth year with improvement in percentile scores.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure VII and forms part of this Report.

N. SECRETARIAL

Share Capital

The issued, subscribed and paid-up Share Capital of the Company stood at Rs. 621.60 crores as at 31st March, 2019 comprising of 124,31,92,544 Ordinary (Equity) Shares of Rs. 5 each fully paid-up. There was no change in Share Capital during the year under review.

Compliance with the provisions of Secretarial Standard 1 and Secretarial Standard 2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

Annual Return

Pursuant to section 134(3)(a) and section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return as on 31st March, 2019 in Form No. MGT-9 is attached as Annexure VIII and forms part of this Report.

The Annual Return of the Company has been placed on the website of the Company and can be accessed at <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

O. POLICIES

The details of the Key Policies adopted by the Company are mentioned at Annexure IX to the Board's Report.

P. GENERAL

Neither the Executive Chairman nor the Managing Director of the Company received any remuneration or commission from any of the subsidiary of your Company. Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions/events on these items during the year under review except as stated hereunder:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any Scheme save and except ESOS referred to in this Report.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under section 67(3) (c) of the Companies Act, 2013).

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 29th May, 2019

ANNEXURE I**Dividend Distribution Policy**

The Dividend Distribution Policy ("the policy") establishes the principles to ascertain amounts that can be distributed to equity shareholders as dividend by the Company as well as enable the Company strike balance between pay-out and retained earnings, in order to address future needs of the Company. The policy shall come into force for accounting periods beginning from 1st April, 2016.

Dividend would continue to be declared on per share basis on the Ordinary Equity Shares of the Company having face value Rs. 5 each. The Company currently has no other class of shares. Therefore, dividend declared will be distributed amongst all shareholders, based on their shareholding on the record date.

Dividends will generally be recommended by the Board once a year, after the announcement of the full year results and before the Annual General Meeting (AGM) of the shareholders, as may be permitted by the Companies Act. The Board may also declare interim dividends as may be permitted by the Companies Act.

The Company has had a consistent dividend policy that balances the objective of appropriately rewarding shareholders through dividends and to support the future growth.

As in the past, subject to the provisions of the applicable law, the Company's dividend payout will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Within these parameters, the Company would endeavor to maintain a total dividend pay-out ratio in the range of 20% to 35% of the annual standalone Profits after Tax (PAT) of the Company.

While determining the nature and quantum of the dividend payout, including amending the suggested payout range as above, the Board would take into account the following factors:

- **Internal Factors:**

- i. Profitable growth of the Company and specifically, profits earned during the financial year as compared with:
 - a. Previous years and
 - b. Internal budgets,
- ii. Cash flow position of the Company,
- iii. Accumulated reserves,
- iv. Earnings stability,
- v. Future cash requirements for organic growth/expansion and/or for inorganic growth,
- vi. Brand acquisitions,
- vii. Current and future leverage and, under exceptional circumstances, the amount of contingent liabilities,
- viii. Deployment of funds in short term marketable investments,
- ix. Long term investments,
- x. Capital expenditure(s), and
- xi. The ratio of debt to equity (at net debt and gross debt level).

- **External Factors:**

- i. Business cycles,
- ii. Economic environment,
- iii. Cost of external financing,
- iv. Applicable taxes including tax on dividend,
- v. Industry outlook for the future years,
- vi. Inflation rate, and
- vii. Changes in the Government policies, industry specific rulings & regulatory provisions.

Apart from the above, the Board also considers past dividend history and sense of shareholders' expectations while determining the rate of dividend. The Board may additionally recommend special dividend in special circumstances.

The Board may consider not declaring dividend or may recommend a lower payout for a given financial year, after analyzing the prospective opportunities and threats or in the event of challenging circumstances such as regulatory and financial environment. In such event, the Board will provide rationale in the Annual Report.

The retained earnings of the Company may be used in any of the following ways:

- i. Capital expenditure for working capital,
- ii. Organic and/or inorganic growth,
- iii. Investment in new business(es) and/or additional investment in existing business(es),
- iv. Declaration of dividend,
- v. Capitalisation of shares,
- vi. Buy back of shares,
- vii. General corporate purposes, including contingencies,
- viii. Correcting the capital structure,
- ix. Any other permitted usage as per the Companies Act, 2013.

Information on dividends paid in the last 10 years is provided in the Annual Report.

This policy may be reviewed periodically by the Board. Any changes or revisions to the policy will be communicated to shareholders in a timely manner.

The policy will be available on the Company's website and the link to the policy is: <http://www.mahindra.com/resources/investorreports/FY18/Governance/MM-Dividend-Distribution-Policy-29-9-2016-Final.pdf>.

The policy will also be disclosed in the Company's annual report.

ANNEXURE II

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arms length basis—

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2019, which were not at arms length basis.

2. Details of material contracts or arrangement or transactions at arms length basis—

The details of material contracts or arrangements or transactions at arms length basis for the year ended 31st March, 2019 are as follows:

Sr. No	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value (Rs. in Crores)	Duration of transactions	Salient terms of transactions	Date of approval by the board	Amount paid in advance (Rs. in Crores)
1.	Mahindra Vehicle Manufacturers Limited (MVML) (Wholly owned subsidiary of the Company)	Purchase of Goods	14,409.01	April 2018 – March 2019	The related party Transactions (RPTs) entered during the year were in the ordinary course of business and on arms length basis.	Since these RPTs are in the ordinary course of business and are at arms length basis, approval of the Board is not applicable. However, necessary approvals were granted by the Audit Committee from time to time.	Nil
	Purchase of intangibles	419.13					
	Purchase of Services	12.19					
	Sale of Goods	1,245.12					
	Interest Income	39.00					
	Dividend received	93.49					
	Reimbursement Received	96.05					
	Other Income	0.04					
	TOTAL		16,314.03				

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 29th May, 2019

ANNEXURE III**SECRETARIAL AUDIT REPORT**

For the Financial Year ended 31st March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Mahindra & Mahindra Limited
Gateway Building
Apollo Bunder
Mumbai 400001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahindra & Mahindra Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of foreign direct investment, overseas direct investment and external commercial borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Audit period);
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit period); and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period).

I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the following law applicable specifically to the Company:

The Motor Vehicles Act, 1988 and the Rules made thereunder.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) Listing Agreements entered into by the Company with BSE Ltd. and the National Stock Exchange of India Ltd. read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board and its committees were unanimous.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period no specific events / actions took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place: Pune
Date: 18th May, 2019

Sachin Bhagwat
ACS: 10189
CP: 6029

ANNEXURE IV

Secretarial compliance report of Mahindra and Mahindra Limited for the year ended March 31, 2019

I, CS Sachin Bhagwat, Practicing Company Secretary, have examined:

- a. all the documents and records made available to me and explanation provided by **Mahindra and Mahindra Limited** ("the listed entity"),
- b. the filings/ submissions made by the listed entity to the stock exchanges,
- c. website of the listed entity,

for the year ended March 31, 2019 ("Review Period") in respect of compliance with the provisions of :

- a. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the Review Period);
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 and Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 (Not applicable to the Company during the Review Period);
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the Review Period);
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- i) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder except in respect of matters specified below:

Sr. No	Compliance Requirement(Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
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NIL

- (b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my examination of those records.
- (c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken e.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
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NIL

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended... (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
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NOT APPLICABLE

Place: Pune
Date: 23 May, 2019

Sachin Bhagwat
ACS No.: 10189
C.P. No.: 6029

ANNEXURE V

DETAILS OF REMUNERATION

Details pertaining to remuneration as required under section 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2018-19 are as under:

Sr. No.	Name of Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2018-19 (Rs. in crores) (Excluding perquisite value of ESOPs exercised)	Remuneration of Director/KMP for the Financial Year 2018-19 (Rs. in crores) (Including perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2018-19 (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2018-19 (Including perquisite value of ESOPs exercised)	Ratio of Remuneration of each Director to median remuneration (Including perquisite value of ESOPs exercised) of employees for the Financial Year
1.	Mr. Anand G. Mahindra	Executive Chairman	8.67	8.67	7.97%	7.97%	108.38
2.	Dr. Pawan Goenka	Managing Director	9.68	12.19	11.26%	-0.16%	152.38
3.	Mr. Nadir B. Godrej#	Independent Director	0.44	0.44	-4.35%	-4.35%	5.50
4.	Mr. M. M. Murugappan#	Independent Director	0.47	0.47	-7.84%	-7.84%	5.88
5.	Mr. R. K. Kulkarni#	Independent Director	0.51*	0.51*	-7.27%	-7.27%	6.38
6.	Mr. Anupam Puri#	Independent Director	0.38	0.38	5.56%	5.56%	4.75
7.	Mr. S. B. Mainak (Nominee of LIC)@\$	Nominee Director	0.03**	0.03**	-91.18%	-91.18%	0.38
8.	Dr. Vishakha N. Desai#	Independent Director	0.43	0.73	0.00%	69.77%	9.13
9.	Mr. Vikram Singh Mehta#	Independent Director	0.44	0.44	-4.35%	-4.35%	5.50
10.	Mr. T. N. Manoharan#	Independent Director	0.47	0.47	-2.08%	-2.08%	5.88
11.	Mr. Vijay Kumar Sharma (Nominee of LIC)^\$	Nominee Director	0.13^^	0.13^^			1.63
12.	Mr. V S Parthasarathy	Group CFO & Group CIO	4.84	7.04	16.91%	44.86%	—
13.	Mr. Narayan Shankar	Company Secretary	1.43	2.22	10.85%	37.89%	—

The remuneration of Independent Directors covers sitting fee and commission.

** Commission paid/payable to Life Insurance Corporation of India.

@ Ceased to be a Nominee Director representing Life Insurance Corporation of India with effect from 11th May, 2018.

^ Appointed Nominee Director representing Life Insurance Corporation of India with effect from 14th November, 2018.

^^ Sitting fees was paid to Life Insurance Corporation of India upto 31st December, 2018.

\$ Commission is payable to Life Insurance Corporation of India.

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

Note: All amounts are rounded off.

I. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the Financial Year:

The median remuneration of employees of the Company during the Financial Year was Rs. 7.93 lakhs and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year is provided in the above table.

II. The percentage increase in the median remuneration of employees in the Financial Year:

In the Financial Year, there was an increase of 1.28% in the median remuneration of employees.

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

There were 21,020 permanent employees on the rolls of the Company as on 31st March, 2019.

IV. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Average percentage increase made in the salaries of employees other than the managerial personnel in the Financial Year i.e. 2018-19 was 5.37% whereas the increase in the managerial remuneration for the Financial Year 2018-19 was 12.77%.

The remuneration of the Executive Chairman and the Managing Director is decided based on the individual performance, inflation, prevailing industry trends and benchmarks.

The remuneration of Non-Executive Directors consists of commission and sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Act and Listing Regulations and such other factors as the Governance, Nomination and Remuneration Committee may deem fit etc. were taken into consideration.

V. Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

ANNEXURE VI**CORPORATE SOCIAL RESPONSIBILITY****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR 2018-19**

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

Since its inception your Company has been a socially responsible corporate making investments in the community which go beyond any mandatory legal and statutory requirements. In line with the core purpose, the CSR vision is "to focus our efforts within the constituencies of girls, youth and farmers by innovatively supporting them through programs designed in the domains of education, health and environment, while harnessing the power of technology. By investing our CSR efforts in these critical constituencies who contribute to nation building and the economy, we will enable our stakeholders and communities to RISE." In accordance with the Companies Act, 2013, your Company has committed 2% (Profit before Tax) annually towards CSR initiatives.

During the year, your Company has spent Rs. 93.50 crores on CSR activities. The amount equal to 2% of the average net profit for the past three Financial Years is Rs. 93.37 crores.

Web link to the CSR Policy, including overview of projects or programs proposed to be undertaken – <http://www.mahindra.com/resources/FY19/AnnualReport.zip>

2. The Composition of the CSR Committee:

Dr. Vishakha N. Desai	-	Chairperson
Mr. Anand G. Mahindra	-	Member
Mr. R. K. Kulkarni	-	Member
Dr. Pawan Goenka	-	Member
Mr. Vikram Singh Mehta	-	Member
3. Average net profit of the Company for the last three financial years: Rs. 4,668.68 crores.
4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above): Rs. 93.37 crores.
5. Details of CSR spent during the Financial Year:
 - (a) Total amount to be spent for the Financial Year: Rs. 93.37 crores.
 - (b) Amount unspent, if any: NA

(c) Manner in which the amount spent during the Financial Year is detailed below:

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
1.	NANHI KALI – Provides educational support (material & academic) to underprivileged girls in India through an after school support program. In FY19, the project supported the education of 165,291 girls. Of these 18,974 girls were supported by your Company, while the Mahindra Group as a whole supported 66,348 girls. The balance girls are supported by individuals and other corporates. Your Company also supported a pilot project for Project Nanhi Kali 2.0 which will support aspiring Nanhi Kalis to complete their graduation as well as achieve proficiency in spoken English and digital literacy.	Promoting Education	Others – Across 10 states including: Andhra Pradesh, Delhi, Gujarat, Haryana, Madhya Pradesh, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh, West Bengal	8.36	8.36	8.36	Through implementing agency – K. C. Mahindra Education Trust & Naandi Foundation
2.	MAHINDRA SCHOLARSHIPS FOR UWC STUDENTS – Scholarships to enable deserving students to study at Mahindra United World College of India.	Promoting Education	Others – Pune, Maharashtra	9.00	9.00	9.00	Through implementing agency – Mahindra United World College of India
3.	GYANDEEP – The program provides Scholarships, Digital Education, Career Guidance, Mentoring, Books & Stationary, Abacus Learning Module and Infrastructure Improvement support Impact : 28,973 children benefitted and 1174 Scholarships were provided in FY 19.	Promoting Education	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Punjab, Uttar Pradesh, Assam, Odisha, Madhya Pradesh, Haryana	3.85	3.85	3.85	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agencies – Swajan Social Development and Health Education Samiti, Seva Sahyog, Vanwasi Kalyan Ashram, Thakur Education Trust, K C Mahindra Education Trust (KCMET), Vidyadaan Sahayyak Mandal (VSM), Tender Heart, United Way, TYCA, Knowledge square
4.	RESEARCH PROJECTS OF THE INDIAN COUNCIL ON GLOBAL RELATIONS – Public policy research and knowledge generation on pressing national issues.	Promoting Education	Local – Mumbai, Maharashtra	2.00	2.00	2.00	Through implementing agency – Indian Council on Global Relations

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
5.	JAMMU KASHMIR STUDY CENTRE – to support research and other educational activities of the Trust	Promoting Education	Others – New Delhi	2.00	2.00	2.00	Through implementing agency – Jammu Kashmir Study Centre
6.	STREETSMART – Awareness Camps, Defensive Driver Training & Infrastructure Support Impact : 1,53,902 Beneficiaries in FY 19	Promoting Education	Others – Tamil Nadu, Maharashtra, Telangana, Uttarakhand, Madhya Pradesh, Odisha	1.68	1.68	1.68	Direct implementation through ESOPS (Employee Social Options) platform & SIAM
7.	A WORLD IN MOTION (AWIM) – PROJECT BASED LEARNING OF MECHANICAL CONCEPTS Class V & VI students are provided with a platform that allows hands on experience of mechanical concepts for building vehicles for road and water. Impact: Participation of 1,34,917 students in FY19	Promoting Education	Others – Gujarat, Maharashtra, Tamil Nadu, Kerala, Rajasthan, Uttarakhand, Madhya Pradesh, Chandigarh, Telangana	1.46	1.46	1.46	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agency – Society of Automotive Engineers (SAE), India
8.	J C MAHINDRA MEMORIAL SCHOOL, KHOPOLI – Funding support towards operational expenses as well as renovation of the J C Mahindra Memorial School.	Promoting Education	Local – Khopoli, Maharashtra	1.25	1.25	1.25	Through implementing agency – K. C. Mahindra Education Trust
9.	RISE FOR SAFE ROADS – Creating India's first Zero Fatality Corridor on the Mumbai Pune Expressway through interventions in 4Es i.e. Engineering, Enforcement, Education and Emergency Response and implementing the ADAPT™ Program through which safe driving training is given to long haul truck drivers Impact: Reduction in fatalities over last 2 years, 1,419 drivers trained in FY18 and 4,666 trained since 2015	Promoting Education	Others – Maharashtra	1.24	1.24	1.24	Through implementing agencies – SaveLIFE Foundation in collaboration with Maharashtra State Road Development Corporation Limited (MSRDC) and IRB Infrastructure Developer Limited

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
10.	BAJA – PROJECT BASED LEARNING OF AUTO ENGINEERING CONCEPTS – Undergraduate Engineering Students are provided with a platform in the form of a project that allows hands on experience in all aspects of automobile engineering and interaction with auto stakeholders Impact: Participation of 10,000 College Students in FY19	Promoting Education	Others – Maharashtra, Jammu & Kashmir, Chandigarh, Uttarakhand, Haryana, Uttar Pradesh, Bihar, Tripura, West Bengal, Madhya Pradesh, Gujarat, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala, Rajasthan, Odisha, Telangana, Jharkhand, Goa, Delhi, Punjab	0.96	0.96	0.96	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agency – Society of Automotive Engineers (SAE), India
11.	EDUCATIONAL ACTIVITIES OF KCMET – supporting the educational activities of the Trust including providing scholarships.	Promoting Education	Local – Mumbai, Maharashtra	0.90	0.90	0.90	Through implementing agency – K C Mahindra Education Trust
12.	J C MAHINDRA HIGH SCHOOL, CHINCHOLI – Construction of a library, science laboratory, ICT laboratory and staff room in the school premises.	Promoting Education	Local – Chincholi, Pune, Maharashtra	0.25	0.25	0.25	Through implementing agency – Mahindra Foundation
13.	SOCIAL AMBASSADORS PROGRAM – This career guidance program benefitted 2500 students, including those from low income communities.	Promoting Education	Others – Mumbai, Nashik, Khopoli, Pune in Maharashtra & Zaheerabad, Telangana	0.25	0.25	0.25	Direct implementation through ESOPS (Employee Social Options Platform)
14.	INSTITUTE OF INDIAN CULTURE – Supporting the digitization of 1000 rare and old books and manuscripts in the institutional library. The library facility is availed by students and scholars from poor and middle class families.	Promoting Education	Local – Mumbai, Maharashtra	0.17	0.17	0.17	Through implementing agency – Institute of Indian Culture
15.	CENTRE FOR RESEARCH & RURAL INDUSTRIAL DEVELOPMENT – Supporting research, academic, development & training activities of the organisation.	Promoting Education	Others – Chandigarh	0.15	0.15	0.15	Through implementing agency – The Centre for Research & Rural Industrial Development

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
16.	K C MAHINDRA SCHOLARSHIP FOR POST GRADUATE STUDIES ABROAD – Providing scholarships to deserving & meritorious students who are pursuing their post graduate studies overseas.	Promoting Education	Local – Mumbai, Maharashtra	0.12	0.12	0.12	Through implementing agency – K C Mahindra Education Trust
17.	XAVIER INSTITUTE OF MANAGEMENT (XLRI) – To support students and faculty of XLRI with access to global knowledge resources, thereby leading to exchange, creation and dissemination of ideas which will further the frontiers of knowledge in the area of Human Resource Management and Industrial Relations	Promoting Education	Others – Jamshedpur, Jharkhand	0.09	0.09	0.09	Through implementing agency – Xavier School of Management (XLRI)
18.	CHS INDIA FOUNDATION – Cleaning and painting of Gandhi Memorial School in Dharavi	Promoting Education	Local – Mumbai, Maharashtra	0.07	0.07	0.07	Through implementing agency – CHS India Foundation
19.	SAHYOG – Through this skill based volunteering platform 3600 students benefitted from career counselling, public speaking classes, awareness on road safety, health and hygiene and self defence training.	Promoting Education	Others – Pan India	0.02	0.02	0.02	Direct implementation through ESOPS (Employee Social Options Platform)
20.	MAHARASHTRA STATE WOMEN'S COUNCIL – The study centre in Worli provided 990 students, aged 15-35 years, from low socio economic communities in the neighbourhood a safe place to study.	Promoting Education	Local – Mumbai, Maharashtra	0.02	0.02	0.02	Through implementing agency – Maharashtra State Women's Council

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
21.	MAHINDRA PRIDE SCHOOL – provide livelihood training for youth from socially & economically disadvantaged communities. In FY19, the Mahindra Group supported 9 schools in Pune, Patna, Chandigarh, Srinagar, Hyderabad, Varanasi and 3 in Chennai through which 6561 students were trained. From inception till date 33,235 students have been trained and 100% have been placed. Of these your Company has supported the schools in Chandigarh, Srinagar, Hyderabad, Varanasi & 1 in Chennai which together skilled 3108 students in FY19. Further, in FY19, an additional 79566 students were trained through the Mahindra Pride Classrooms conducted through a number of Polytechnics and Arts & Science Colleges in 14 States of India. The Mahindra Pride Classrooms provide 40-120 hours of training to final year students covering English Speaking, Life Skills, Aptitude, Interview, Group Discussion and Digital Literacy. The Mahindra Group as a whole supported the training of 119349 students through the Mahindra Pride Classrooms.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others – Andhra Pradesh, Bihar, Delhi, Gujarat, Jammu & Kashmir, Haryana, Kerala, Maharashtra, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal.	11.80	11.80	11.80	Through implementing agencies – K. C. Mahindra Education Trust & Naandi Foundation
22.	HUNNAR – Skill Development for youth through vocational courses in auto sales & service, diesel generators training, driver training and ITI Upgradation – Infrastructure Development Impact: 3188 Beneficiaries in FY19	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others – Rajasthan, Uttar Pradesh, Madhya Pradesh, Haryana, Tamil Nadu, Maharashtra, Uttarakhand	0.70	0.70	0.70	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agencies – Kherwadi Social Welfare Association (KSWA), Prithvi Foundation, VSM, Ashok Leyland
23.	CHETANA APANGAMATI VIKAS SANSTHA – Infrastructural support for setting up a manufacturing unit of organic ghani oil which will provide livelihood training to girls with intellectual disability.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others – Kolhapur, Maharashtra	0.10	0.10	0.10	Through implementing agency – Chetana Apangamati Vikas Sanstha

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
24.	SHRI V R DESHPANDE MEMORIAL TRUST – provision of scholarships to allow students from economically disadvantaged backgrounds to undergo vocational training at the Deshpande Private Industrial Training Institute.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Others – Haliyal, Karnataka	0.06	0.06	0.06	Through implementing agency – V R Deshpande Memorial Trust
25.	SEHAT – The program provides ambulance services, regular mobile dispensaries, medical camps, cancer care programs, holistic HIV-AIDS program, mother & child care, immunization out reach, nutritional support, providing safe drinking water, awareness camps, pest control services, dialysis and Infrastructure development. Impact: 3,30,887 Beneficiaries in FY19	Promoting Preventive Healthcare & Sanitation	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Punjab, Uttar Pradesh, Assam, Odisha, Madhya Pradesh, J&K, Bihar	3.79	3.79	3.79	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agencies – NAME Foundation , Yash Foundation, Nashik District Athletic Amateur Association (NDDA), Govt. & local hospitals, Cancer Patients Aid Association (CPAA), Global Cancer Care India, Swajan Social Development and Health Education Samiti, Rotary Club, Athrout Kashmir
26.	SWACHH BHARAT ABHIYAN – Cleanliness drives, construction of toilets and infrastructure development. Impact: 218 Toilets constructed. Overall beneficiaries 1,43,530 in FY19	Promoting Preventive Healthcare & Sanitation	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Chandigarh, Uttar Pradesh, Assam, Odisha, Madhya Pradesh, West Bengal, Bihar, Gujarat	3.47	3.47	3.47	Directly through ESOPS (Employee Social Options Platform)
27.	CANCARE TRUST – Providing a grant for setting up The Head and Neck Cancer Institute of India, which is a Public Private Partnership with BMC and CanCare Trust.	Promoting Preventive Healthcare	Local -Mumbai, Maharashtra	3.00	3.00	3.00	Through implementing agency – Mahindra Foundation in partnership with the Cancare Trust
28.	KARO – Holistic support including financial support for treatment of 250 patients suffering from life threatening diseases.	Promoting Preventive Healthcare	Local – Mumbai, Maharashtra	2.00	2.00	2.00	Through implementing agency – Mahindra Foundation in partnership with the KARO Trust

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
29.	LIFELINE EXPRESS – Hospital on wheels catering to medical needs of rural people who don't have access to quality medical facilities. Diagnostic, medical & surgical treatment for preventive and curative interventions e.g. cataract, cleft lip palate, breast, cervical & oral cancer screening and surgery, epilepsy counselling and medication and dental & deafness correction. Impact: Total 11,119 patients in FY19 visited the OPD of which 6252 received consultation, 3,699 patients received other services and 1168 were operated on during the camp held at Arrah, Bihar in September, 2018. The Group has reached out to 1,10,175 beneficiaries since 2007.	Promoting Preventive Healthcare	Others – Arrah, Bihar	1.08	1.08	1.08	Direct implementation through ESOPS (Employee Social Options Platform) and through implementing agency- Impact India Foundation
30.	PARYAS SOCIETY – Support for the 'Sansad Mobile Swasthya Seva' programme – an initiative to ensure that quality and free medical services reach the poorest of poor in the remotest areas of Himachal Pradesh. The grant was towards the operational costs of one Mobile Medical Unit (MMU) for 1 year.	Promoting Preventive Healthcare	Others – Himachal Pradesh	0.30	0.30	0.30	Through implementing agency – Paryas Society
31.	NAVDRUSHTI – EYE CARE AND VISION CORRECTIONS Awareness drives, eye testing, distribution of spectacles and cataract surgeries for deprived sections of society. Impact: 4,347 Beneficiaries in FY19	Promoting Preventive Healthcare	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Chandigarh, Madhya Pradesh	0.30	0.30	0.30	Through implementing agencies – Shankar Netralaya, Ganga Mata Eye Hospital, Kandivali Hitwardhak Mandal, Swajan Social Development And Health Education Samiti, Tulsi Eye Hospital & Nandadeep Eye Hospital
32.	PALCARE – supporting the palliative care program for people with chronic illnesses such as cancer, alzheimer's, kidney failure, lung conditions and stroke.	Promoting Preventive Healthcare	Local – Mumbai, Maharashtra	0.25	0.25	0.25	Through implementing agency – Mahindra Foundation in partnership with the Jimmy S Bilimoria Foundation

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
33.	THE LIVE LOVE LAUGH FOUNDATION – SCHOOL SUPPORT PROGRAM – supporting the ‘School Awareness and support program’ to create awareness amongst adolescent children on the issue of mental health thereby reducing the stigma associated with mental illness.	Promoting Preventive Healthcare	Others – Bengaluru, Karnataka	0.20	0.20	0.20	Through implementing agency – The Live Love Laugh Foundation
34.	MEDICAL OUTREACH – Medical support provided to 30 needy patients from Chhindwara through tie ups with two speciality hospitals in Nagpur.	Promoting Preventive Healthcare	Others – Chhindwara, MP	0.20	0.20	0.20	Through implementing agency – Mahindra Foundation
35.	JEEVANDAN – BLOOD DONATION INCLUDING LIFE SUPPORT FOR THALASSAEMIA PATIENTS This ESOPs initiative held regularly across plants includes a robust Thalassaemia Adoption Program which provided an uninterrupted blood supply for Thalassaemia patients. Impact: 18,640 Beneficiaries in FY19	Promoting Preventive Healthcare	Others – Maharashtra, Uttarakhand, Telangana, Rajasthan, Tamil Nadu, Chandigarh, Uttar Pradesh, Assam, Odisha, Madhya Pradesh	0.11	0.11	0.11	Direct implementation – ESOPS (Employee Social Options platform)
36.	DISASTER RELIEF – A) Provision of 2.5 lakh books and educational material to children affected by the flood in Kerala B) Provision of essentials (such as food, medical aid, blankets, books etc.) to victims of Kerala Floods & Gaja Cyclone	Promoting Education Promoting Preventive Healthcare	Others – Kerala & Tamil Nadu	0.59	0.59	0.59	Direct implementation through ESOPS (Employee Social Options Platform) and through implementing partner Mahindra Foundation
37.	PROJECT HARIYALI – Tree plantation to increase green cover & improve livelihood of farmers. In FY19, M&M Ltd. planted 0.95 million trees which contributed to improving green cover & protecting bio-diversity in the country. Of these, 0.83 million trees were planted in the Araku valley, which besides greening the environment also provided livelihood support to tribal farmers growing coffee in this region. The balance were planted across various locations across India. In FY19, the Mahindra Group, planted 1.45 million trees across India.	Ensuring Environmental Sustainability	Others – Maharashtra, Uttarakhand, Telangana, Tamil Nadu, Rajasthan, Uttar Pradesh, Punjab, Madhya Pradesh, Andhra Pradesh, Gujarat	5.75	5.75	5.75	Through an implementation agency – Naandi Foundation & direct implementation through ESOPS (Employee Social Options platform)

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
38.	MAHINDRA TERI CENTRE OF EXCELLENCE – Supporting research activities at the 'Mahindra TERI Centre of Excellence for Sustainable Habitats' which was set up to provide a coherent database for market ready, scalable, and viable technologies and materials.	Ensuring Environmental Sustainability	Others – Gurugram, Haryana	2.00	2.00	2.00	Through implementing agency – TERI (The Energy and Resources Institute)
39.	EHS+ – The Company partnered with OSC to establish a EHS+ center for training small and medium enterprises in the industrial sector, with an aim of promoting environmental sustainability. Through this initiative, 1095 practitioners were trained in FY19 and 3498 trained from FY16 till date.	Ensuring Environmental Sustainability	Others – Pune, Maharashtra	1.63	1.63	1.63	Through implementing agency – Organisation of Sustainable Communities
40.	GREEN GUARDIANS – Promoting green energy through collaboration with IIT(M)'s COE – Center for Battery Operation. Promoting use of Bio Gas produced through Canteen Waste for hospital, LED lighting. Impact: 30,655 Beneficiaries in FY19	Ensuring Environmental Sustainability	Others – Tamil Nadu, Maharashtra, Punjab	1.70	1.70	1.70	Through implementing agencies – Indian Institute of Technology, Madras, Loknayak Jayprakash Narayan Leprosy Eradication Trust (LJNLET), ESL
41.	MELGHAT TIGER RESERVE CONSERVATION – Grant provided for the Pre-planting operations (digging of pits and watering the same) towards the "Greening of Maharashtra" programme of Government of Maharashtra.	Ensuring Environmental Sustainability	Others – Amravati, Maharashtra	0.40	0.40	0.40	Through implementing agency – Melghat Tiger Reserve Conservation Foundation
42.	NAGAR – Contribution to initiatives for Advocacy, Governance and Environment Renewal.	Ensuring Environmental Sustainability	Local – Mumbai, Maharashtra	0.03	0.03	0.03	Through implementing agency – NAGAR
43.	WORLD WIDE FUND FOR NATURE INDIA – supporting the Nature Guardian program to build a sustainable future for the planet, people, children, women and wildlife.	Ensuring Environmental Sustainability	Others – Delhi	0.01	0.01	0.01	Through implementing agency – World Wide Fund for Nature India

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
44.	KRISHI MITR : RURAL DEVELOPMENT AIMED AT IMPROVING INCOME GENERATION FOR FARMING COMMUNITIES – The program includes micro nutrient soil testing, advisory services, drip irrigation, agri extension services, dairy farming, permaculture farming, infrastructure development and capacity building resulting in improvement in agricultural productivity. Impact: 68,638 Beneficiaries in FY19	Rural Development	Others – Maharashtra, Madhya Pradesh, Rajasthan, West Bengal, Odisha, Karnataka	6.73	6.73	6.73	Through implementing agencies – Indian Society of Agribusiness Professionals, Self Reliant Initiatives Through Joint Action (SRIJAN), Rajasthan Rural Institute of Development Management (RRIDMA), BAIF Research Foundation, J K Trust
45.	GRAM VIKAS – Integrated Village Development including Water Management through revival / reconstruction of water structures and helping the community access Government schemes like Pradhan Mantri Ujwala Yojana. Impact: 52,861 Beneficiaries in FY19	Rural Development	Others – Maharashtra, Telangana, Rajasthan, Madhya Pradesh, Uttar Pradesh	5.06	5.06	5.06	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agencies – International Crop Research Institute in Semi-Arid Tropics, Dilasa Janvikas Pratishthan, Rotary Club, Vanvasi Kalyan Ashram, Loknayak Jayprakash Narayan Leprosy Eradication Trust (LJNLET), Lahs Pratishthan, International Association for Human Values, Maharashtra Sewa Prabodhini, MRIDA Heart & Soil Foundation, AFPRO, Suryodaya Ashram
46.	WARDHA FARMER FAMILY PROJECT (WFFP) – Enriching farmers lives through a comprehensive agrarian solution with a focus on pomegranate cultivation in 79 villages in Wardha, benefitting 751 farmer families since 2014. The first pilot harvest enhanced farmer income by Rs. 60K per household per acre in FY19	Rural Development	Others – Wardha, Maharashtra	4.00	4.00	4.00	Through implementing agency – Naandi Foundation

Sr. No.	CSR Project or Activity Identified	Sector in which the project is covered (As in Schedule VII)	Projects or programs 1) Local areas or others 2) Specify the state and district where projects or programs was undertaken	Amount Outlay (Budget) Project or program wise (In Rs. crores)	Amount spent on the project or program Subheads: 1) Direct expenditure on projects or programs 2) Overheads (in Rs. crores)	Cumulative Expenditure upto the reporting period (In Rs. crores)	Amount spent: direct or through implementing agency
47.	INTEGRATED WATERSHED MANAGEMENT PROGRAM (IWMP) – Private Public Partnership (PPP) in Bhopal with Government of Madhya Pradesh and with National Bank for Agriculture and Rural Development (NABARD) at Hatta, to increase the ground water table resulting in increased agricultural productivity and improved living standards. Impact: Working in 48 villages benefiting 41,112 people since Inception	Rural Development	Others – Madhya Pradesh	2.70	2.70	2.70	Directly and through implementation agencies – National Bank for Agriculture and Rural Development (NABARD)
48.	SURYODAY – Village Electrification through solar & wind energy. Impact: 2,595 beneficiaries in FY19	Rural Development	Others – Maharashtra, Haryana, Gujarat	1.20	1.20	1.20	Through implementing agencies – Spitzen Energy, Autonic, Lion's club, Agni Garbha, Pragna Chakshu Mahila Seva Kunj
49.	PATTORI VILLAGE INFRASTRUCTURE SUPPORT – Towards the maintenance of 45 houses and infrastructure facilities in Pattori village of Madhepura district, Bihar which were built by the Company after the Kosi Floods of 2008.	Rural Development	Others – Bihar	0.22	0.22	0.22	Direct implementation through ESOPS (Employee Social Options Platform) and through implementing partner – Mahindra Consulting Engineers Limited
50.	Others – A) Swachata Abhiyaan in Govt School, Recycling of plastic, blood donation drive – 0.04, b) BLIND ORGANIZATION OF INDIA 0.003 – braille aids for visually challenged individuals and C) relief to poor including educational support and medical aid – 0.05	Promoting Preventive Healthcare	Local – Mumbai, Maharashtra	0.09	0.09	0.09	Direct Implementation through Employee Social Options (ESOPs) and through implementing partners – Mahindra Foundation and Blind Organisation of India
51.	SAMANTAR – Clothes donation drive and advocacy programs for street children, women, senior citizens and specially-abled children. Impact: 1310 Beneficiaries in FY 19	Promoting Gender Equality, Homes/ Hostels/ Day Care for Women, Orphans, Senior Citizens	Others – Maharashtra, Punjab, Gujarat, Tamil Nadu, Telangana, Rajasthan, Madhya Pradesh	0.08	0.08	0.08	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agencies – Goonj, Greensole, Adhata Trust
52.	SPORTS – Scholarships and Infrastructure Support. Impact: 790 Beneficiaries in FY19	Promoting Rural sports	Others – Maharashtra, Rajasthan	0.11	0.11	0.11	Direct implementation through ESOPS (Employee Social Options Platform) and implementation agencies – Nashik District Amateur Aquatic Association (NDAAA), 1MHLEL
	TOTAL			93.50	93.50	93.50	

6. In case the company has failed to spend the two per cent, of the average net profit of the last three Financial Years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report
– Not applicable, since the Company has spent the two per cent of the average net profit of the last three Financial Years as per the Companies Act, 2013 and the Company believes that the above projects and activities fall within the purview of Schedule VII of the Companies Act, 2013.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:

The implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

PAWAN GOENKA
Managing Director

VISHAKHA N. DESAI
Chairperson – CSR Committee

Mumbai, 29th May, 2019

ANNEXURE VII

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014 IS FORMING PART OF THE BOARD'S REPORT FOR THE FINANCIAL YEAR 2018-19

(A) Conservation of Energy

Your Company is committed to sustainable business practices by contributing to environment protection and considers energy conservation as one of the strong pillars of preserving natural resources. This also helps in reducing carbon footprint as well as improving the bottom-line under 'Mission Sustainability'.

Your Company is the first Indian signatory to EP100 (Energy Productivity 100%) by 2030 with base year 2009, a program promoted by 'The Climate Group'. Further, your Company has committed to becoming Carbon Neutral by 2040, and in January, 2019 announced its commitment to set Science Based Target to De-carbonize its growth, thus contributing to keep global temperature increase below 2 degrees Celsius as per Paris Accord 2015.

Your Company has a robust roadmap for achieving targets for improving energy efficiency and adoption of renewable energy. Your Company continues to invest in various energy efficiency programs abiding by its commitment towards internal carbon price of USD 10 per ton of carbon emitted.

Your Company has taken various initiatives as listed below, for energy conservation and preserving natural resources:

- Programs for improving energy efficiency and productivity.
- Thrust on use of renewable energy.
- Converting existing Facilities in to Green buildings and factories.
- Rain water harvesting, reduce usage, reuse and recycle water.
- Thrust on zero waste to land fill and promote circular economy.
- Eco efficiency in supply chain.

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

- Replacement of old motors with premium efficiency IE3 motors.
- Installation of Energy efficient inverter split AC's.
- Heater less Vaporizer @ LPG yard.
- Installation of VFD's for blower motors and pumps.
- Installation of high velocity low speed (HVLS) fans on shop floor.
- Optimization of cycle time and elimination of idle running losses on machines.
- Installation of demand side controller for compressed air.
- Waste heat recovery from paint shop ovens.
- Adoption of innovative Nano-technology at pre-treatment to reduce process temperature.

Your Company believes in employee engagement for driving positive change towards this goal and has taken multiple initiatives. Select few are listed below:

- National energy conservation week celebration at all Plants during 14th to 20th December.
- Sustainability month celebration at all Plants (June month).
- Capability building programs on Energy and Sustainability.
- Celebration of Founders' day with specific theme based on Energy and Sustainability.
- Competitions for posters, slogans, suggestions, and quiz.
- Energy conclave organized for Officers.
- Awareness creation through e-mailers, wall papers, posters and slogans.

- Spreading the importance of energy conservation in nearby schools and colleges.

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

For the year under review, your Company increased its installed solar power capacity, from 3.5 MW to 9 MW. In addition, your Company increased installed wind power capacity from 4.2 MW to 6.3 MW.

Power from renewable sources is 5.3% of total power consumption and mitigates 16,233 tons of CO₂. Your Company has set a target to increase the share of renewable energy to 10% by Financial Year 2020.

(iii) The capital investment on energy conservation equipments:

For the year under review, the capital investment on energy conservation equipment was Rs. 30.98 crores. This investment was broadly done in the areas of Renewable energy, Energy efficient AC's, compressor heat recovery, energy efficient motors, pumps and many more energy conservation initiatives.

As a result of the above initiatives and similar initiatives taken in the previous years, the carbon footprint of your Company has reduced by 25% over the baseline of Financial Year 2016.

(B) Technology Absorption

(i) The efforts made towards technology absorption:

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

During the year under review, your Company continued to work on advanced technologies, upgradation of existing technology and capability development in the critical areas for current and future growth. In the Automotive Sector, special focus was given on BSVI emission technologies, gasoline engine technologies, safety technologies, alternative materials, automotive electronics and connected vehicles. In Farm Equipment Sector, technology areas such as intelligent tractors, new electronic architecture were given special emphasis. This would help in making our products retain their competitive edge in the market in the coming years.

Your Company continues to invest in technology development and patent acquisitions. For the year under review, your Company filed a total of 152 patent applications. Cumulatively, your Company has filed 1,268 patent applications so far.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

The efforts taken by your Company towards technology development and absorption help deliver competitive advantage and market leadership through the launch of customer centric products and variants, introduction of new features and improvement of product performance. Some examples of results delivered in the year 2018-19 are:

- Launch of Marazzo globally engineered MPV with bold design, patented Body-on-frame, front wheel drive architecture, first in class electric power steering, industry first surround cool technology.
- Launch of Alturas G4, a luxury SUV to redefine the high-end SUV with advanced high-tech features like 3D Around View Camera system, Unmatched safety with features like 9 Airbags.
- Launch of XUV300, a global product which combines Korean technology with Indian innovation and finesse based on the X100 platform of SsangYong.
- The New TUV300 launch, powered by the powerful mHAWK100 engine, delivering 100 BHP and 240 Nm of torque. The Cushion Suspension Technology and optimised ride height offering a better drive experience.
- Launch of India's first pick up, the Maha Bolero Pick-up, with 1,700 Kg payload capacity.
- Launch of FURIO, brand-new range of Intermediate Commercial Vehicles (ICVs) which makes Mahindra a full range commercial vehicle player.
- Fortifying the core in farm sector with launch of Novo 65 HP and 75 HP tractors.
- Development of intelligent tractor with auto steering capability.
- New lightweight materials technologies to improve performance and efficiency.

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

Sr. No.	Details of Technology Imported	Year of Import	Status of Technology Absorption
1	Design of automotive Interiors	2016	Technology Absorbed
2	Interior & Exterior Technology for BIW@	2016	In the process of Absorption
3	Automated Manual Transmission Design & Development	2016	Technology Absorbed
4	BSR (Buzz, Squeak, and Rattle) Development for Vehicles	2016	Technology Absorbed
5	Body Design For Crash & Safety Compliance	2016	Technology Absorbed
6	Android Auto Technology	2017	Technology Absorbed
7	Driveline NVH Simulation Technology Package	2017	Technology Absorbed
8	Powertrain NVH Global Benchmark Databank	2017	Technology Absorbed
9	14 V Belt Starter Generator Technology for Intelli Hybrid Development	2017	Technology Absorbed
10	New Solitre Monocoat paint technology	2017	Technology Absorbed
11	VGT with e-Actuation	2018	Technology Absorbed
12	TGDI Technology for Gasoline Engines@	2018	In the process of Absorption
13	Next Gen Display & HMI technology for driver controls, and infotainment@	2018	In the process of Absorption
14	Technologies to enhance HVAC system efficiency & improve in-cabin air quality@	2018	In the process of Absorption
15	Next Gen Automotive LED lighting technology	2018	Technology Absorbed
16	DRL Light Guide Lamps for Tractors	2018	Technology Absorbed
17	Push Start Stop with immobilizer for tractor	2018	Technology Absorbed
18	Smart Electronic Architecture with FMCU Module for Digitization of tractors in future@	2018	In the process of Absorption
19	Power Hi-Low transmission@	2019	In the process of Absorption
20	Intelligent Tractor@	2019	In the process of Absorption
21	Dual zone Automatic temperature control	2019	Technology Absorbed
22	Activated carbon filter	2019	Technology Absorbed
23	Driver knee air bag in IP for better safety	2019	Technology Absorbed
24	EPP Energy absorber	2019	Technology Absorbed
25	Light Weight High Performance Material	2019	Technology Absorbed
26	Heaters in ORVM	2019	Technology Absorbed

@ Areas where Technology not fully absorbed, reasons thereof:

All imported technologies 'In the process of Absorption' would be absorbed as per the respective Technology Absorption Schedule.

(iv) The expenditure incurred on Research and Development:

The Company spent Rs. 2,641.94 crores (including Rs. 1,732.18 crores on Capital Expenditure) for Research & Development work during the year, which was approximately 4.78% of the total turnover.

(C) Foreign Exchange Earnings and Outgo

Foreign Exchange earnings and outgo during the year under review are as follows:

(Rs. in crores)

Total Foreign Exchange Earned and Outgo	For the Financial Year ended 31 st March, 2019	For the Financial Year ended 31 st March, 2018
Foreign Currency Earnings	3,063.06	2,504.98
Foreign Exchange Outgo (Including remittance of Dividend)	1,005.75	823.62

For and on behalf of the Board

ANAND G. MAHINDRA
 Executive Chairman

Mumbai, 29th May, 2019

ANNEXURE VIII

EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

As on the financial year ended on 31.03.2019

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L65990MH1945PLC004558
2.	Registration Date	02-10-1945
3.	Name of the Company	Mahindra & Mahindra Limited
4.	Category/Sub-category of the Company	Public Company-Limited by shares/Non-Government Company
5.	Address of the Registered Office & contact details	Mahindra & Mahindra Limited Gateway Building, Apollo Bunder, Mumbai-400001, Maharashtra Tel: +91-22-22895500 • Fax: +91-22-22875485
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar and Transfer Agent, if any.	Karvy Fintech Private Limited Unit: Mahindra & Mahindra Limited Karvy Selenium Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana-500 032, India Telephone number: +91 40 6716 2222 Fax number: +91 40 2342 0814 Investor Service Toll Free No.: 1-800-3454-001 E-mail: einward.ris@karvy.com Website: www.karvyfintech.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company:

Sr. No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Manufacture of Passenger Cars	29101	32.71%
2.	Manufacture of tractors used in agriculture and forestry	28211	28.95%
3.	Manufacture of Commercial vehicles such as vans, lorries, over the road tractors for semi-trailers, etc.	29102	27.49%
	TOTAL		89.15%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
1	Mahindra Engineering and Chemical Products Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U74999MH1954PLC019908	Subsidiary	100.00%	2(87)(ii)
2	# Retail Initiative Holdings Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U67110MH2008PLC188837	Subsidiary	100.00%	2(87)(ii)
3	## Mahindra Retail Limited (formerly known as Mahindra Retail Private Limited-name changed w.e.f 06.04.2018)	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U52190MH2007PLC173762	Subsidiary	100.00%	2(87)(ii)
4	Mahindra Overseas Investment Company (Mauritius) Ltd	IFS Court TwentyEight, Cybercity Ebene- Mauritius	Foreign Company	Subsidiary	100.00%	2(87)(ii)
5	• Mahindra Emirates Vehicle Armouring FZ-LLC	P.O. Box No. 39893, Al Jazeera, Al Hamra (Free Zone), RAKIA Industrial Park, WFZ-08, Ras Al Khaimah, United Arab Emirates	Foreign Company	Subsidiary	88.00%	2(87)(ii)
6	•• Mahindra Armored Vehicles Jordan, LLC. (w.e.f. 31.03.2019)	Post box: 2585, Zip Code: 77110, South Aqaba Investment Park, Aqaba Back Road, Aqaba, Jordan	Foreign Company	Subsidiary	100.00%	2(87)(ii)
7	• Mahindra Graphic Research Design srl	CORSO RE UMBERTO 9/ BIS CAP 10121 TORINO (TO) ITALIA	Foreign Company	Subsidiary	100.00%	2(87)(ii)
8	• Mahindra International UK Ltd. (under liquidation w.e.f. 28.03.2018)	125, Wood Street, London, EC2V 7AW	Foreign Company	Subsidiary	100.00%	2(87)(ii)
9	• Mahindra Europe s.r.l.	Mahindra Europe Srl Via Cancelliera, 35 – Ariccia – Roma 00072, Italy	Foreign Company	Subsidiary	100.00%	2(87)(ii)
10	• Mahindra-BT Investment Company (Mauritius) Limited	IFS Court, Bank Street, TwentyEight, Cybercity, Ebene 72201, Mauritius	Foreign Company	Subsidiary	57.00%	2(87)(ii)
11	• Mahindra Racing UK Limited	30-34, New Bridge Street House, London EC4V 6BJ	Foreign Company	Subsidiary	100.00%	2(87)(ii)
12	• Mahindra Tractor Assembly Inc.	2901 Bayview Drive, Fremont CA USA 94538	Foreign Company	Subsidiary	100.00%	2(87)(ii)
13	• Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi	Hisar Mh.1047 Cd. No:2 26550 Tepebaşı Eskişehir, Turkey	Foreign Company	Subsidiary	86.80%	2(87)(ii)
14	x Hisarlar İthalat İhracat Pazarlama Anonim Şirketi	Hisar Mh 1047. cadde No: 2 Tepebaşı, Eskişehir, Turkey	Foreign Company	Subsidiary	100.00%	2(87)(ii)
15	• Mahindra Automotive North America Inc.	275 Rex Boulevard Auburn Hills, MI USA 48326	Foreign Company	Subsidiary	100.00%	2(87)(ii)
16	Ω Mahindra Vehicle Sales and Service Inc.	37 Old Brickyard Road Fletcher, NC 28732, USA	Foreign Company	Subsidiary	100.00%	2(87)(ii)
17	Ω Mahindra North American Technical Center, Inc	1055 West Square Lake Road, Troy, MI, 48098	Foreign Company	Subsidiary	100.00%	2(87)(ii)
18	• Erkunt Traktor Sanayii A.S.	Organize Sanayi Bölgesi, Batı Hun Caddesi No: 2-4-6, Sincan, Ankara, Turkey	Foreign Company	Subsidiary	100.00%	2(87)(ii)
19	• Erkunt Sanayi A.S.	Bahçekapı Mahallesi Fen İşleri Caddesi No: 2 Etimesgut, Ankara, Turkey	Foreign Company	Subsidiary	98.69%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
20	Mahindra Vehicle Manufacturers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U34100MH2007PLC171151	Subsidiary	100.00%	2(87)(ii)
21	£ Mahindra Electric Mobility Limited	66 - 69 & 72 - 76, Phase IV, Bommasandra Industrial Area, Jigani Link Road, Anekal Taluka, Bangalore-560099	U34101KA1996PTC020195	Subsidiary	99.45%	2(87)(ii)
22	£ Mahindra Heavy Engines Limited	Mahindra Towers, Dr. G.M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U35914MH2007PLC169753	Subsidiary	100.00%	2(87)(ii)
23	£ Mahindra Two Wheelers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35911MH2008PLC185462	Subsidiary	92.88%	2(87)(ii)
24	£ Mahindra Intertrade Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U51900MH1978PLC020222	Subsidiary	100.00%	2(87)(ii)
25	¥ PT Mahindra Accelo Steel Indonesia (w.e.f.19.12.2018)	Menara Imperium 22 nd Floor, Suite D, Jl. H.R. Rasuna Said Kav.1, Kecamatan Setiabudi, Kelurahan Guntur, South Jakarta, 12980, Indonesia	Foreign Company	Subsidiary	99.96%	2(87)(ii)
26	¥ Mahindra Auto Steel Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH2013PTC250979	Subsidiary	51.00%	2(87)(ii)
27	¥ Mahindra Electrical Steel Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH2009PTC193205	Subsidiary	100.00%	2(87)(ii)
28	¥ Mahindra Steel Service Centre Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U27100MH1993PLC070416	Subsidiary	61.00%	2(87)(ii)
29	¥ Mahindra MiddleEast Electrical Steel Service Centre (FZC)	Sharjah Airport International Free Zone, P3 11/12 Post Box: 8114, Sharjah UAE.	Foreign Company	Subsidiary	90.00%	2(87)(ii)
30	¥ Mahindra MSTC Recycling Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U37100MH2016PTC288535	Subsidiary	50.00%	2(87)(i)
31	Mahindra Two Wheelers Europe Holdings S.ar.l.	9, Allée Scheffer - L-2520 Luxembourg Grand Duchy of Luxembourg	Foreign Company	Subsidiary	100.00%	2(87)(ii)
32	! Peugeot Motorcycles S.A.S.	Rue Du 17 Novembre F25350, Mandure, France	Foreign Company	Subsidiary	51.00%	2(87)(ii)
33	!! Peugeot Motorcycles Italia S.P.A	199 via Gallarate, 20154 Milano, Italia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
34	!!! PMTC Engineering SpA (Formerly known as Mahindra Racing SpA - Name changed w.e.f. 25.06.2018)	Via del Babuino, 51, 00187 Roma	Foreign Company	Subsidiary	100.00%	2(87)(ii)
35	!! Peugeot Motorcycles Deutshland GmbH	Kurhessen Strasse, 13. 64536, Morfelden-Walldorf Deutshland	Foreign Company	Subsidiary	100.00%	2(87)(ii)
36	Mahindra USA, Inc.	9020 Jackrabbit Road, Suite 600, Houston, Texas-77095, USA.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
37	σ Mahindra Mexico S. de R. L.	Autopista Aguascalientes - Zacatecas Km 7, Colonia Constitución, CP 20126	Foreign Company	Subsidiary	99.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
38	Gromax Agri Equipment Limited (Formerly known as Mahindra Gujarat Tractor Limited - name changed w.e.f. 24.08.2017)	Vishwamitri, near Railway Over bridge, Vadodara 390 011	U34100GJ1978PLC003127	Subsidiary	60.00%	2(87)(ii)
39	Mahindra Agri Solutions Limited	Mahindra Towers, Dr. G M Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U01400MH2000PLC125781	Subsidiary	98.40%	2(87)(ii)
40	≡ Mahindra Summit Agriscience Limited (w.e.f. 09.10.2018)	Mahindra Towers, Dr. G. M. Bhosale Marg, P. K Kurne Chowk, Worli Mumbai 400018	U01400MH2018PLC315558	Subsidiary	100.00%	2(87)(ii)
41	≡ Mahindra HZPC Private Limited	Mahindra Towers, Near Doordarshan Kendra, Pandurang Budhkar Marg, Worli, Mumbai-400018	U01403MH2013PTC242474	Subsidiary	59.95%	2(87)(ii)
42	≡ Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.	Albert Plesmanweg 250, Haven 2450, 3088GD Rotterdam	Foreign Company	Subsidiary	100.00%	2(87)(ii)
43	≡≡ OFD Holding BV	Keilestraat 9C, Havennr. 294, 3029 BP Rotterdam, Netherland	Foreign Company	Subsidiary	83.09%	2(87)(ii)
44	i Origin Direct Asia Ltd	7/F., Hong Kong Trade Centre, 161-167 Des Voeux Road Central, Hong Kong	Foreign Company	Subsidiary	60.00%	2(87)(ii)
45	ii Origin Direct Asia (Shanghai) Trading Co. Ltd.	Room 2050, 20/F, No.212 Jiang Ning Road, Jing An District, Shanghai, China	Foreign Company	Subsidiary	100.00%	2(87)(ii)
46	i Origin Fruit Direct B.V.	Keilestraat 9C, Havennr. 294, 3029 BP Rotterdam, Netherland	Foreign Company	Subsidiary	100.00%	2(87)(ii)
47	i Origin Fruit Services South America SpA	Calle Huérfanos 1160 office 101 and 102, Santiago, Chile	Foreign Company	Subsidiary	100.00%	2(87)(ii)
48	≡ Mahindra Greenyard Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U01403MH2014PTC255946	Subsidiary	60.00%	2(87)(ii)
49	Mahindra Consulting Engineers Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U74210MH1993PLC074723	Subsidiary	60.88%	2(87)(ii)
50	~ Mahindra Namaste Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U93000MH2010PLC198303	Subsidiary	100.00%	2(87)(ii)
51	Mahindra Holdings Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U65993MH2007PLC175649	Subsidiary	100.00%	2(87)(ii)
52	o Mahindra Integrated Business Solutions Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U74999MH2011PTC212468	Subsidiary	100.00%	2(87)(ii)
53	o Mahindra Airways Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr.Doordarshan Kendra, Worli, Mumbai 400018	U62100MH2016PLC284135	Subsidiary	100.00%	2(87)(ii)
54	o Mahindra First Choice Wheels Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U64200MH1994PLC083996	Subsidiary	49.17%	2(87)(i)
55	o Mahindra First Choice Services Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35999MH2008PLC180385	Subsidiary	100.00%	2(87)(ii)
56	oo Auto Digitech Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U29253MH2009PTC196365	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
57	o Mahindra Susten Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U74990MH2010PTC207854	Subsidiary	100.00%	2(87)(ii)
58	ooo Mahindra Susten Bangladesh Private Limited (w.e.f. 19.04.2018)	Navana Obaid Eternia, 28 - 29 Kakrail, Level- 13, VIP Road, Dhaka-1000	Foreign Company	Subsidiary	99.99%	2(87)(ii)
59	ooo Mahindra Teqo Private Limited (Formerly Known as "MachinePulse Tech Private Limited", name changed w.e.f. 09.04.2019)	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan kendra, Worli, Mumbai-400018, Maharashtra	U40100MH2016PTC271679	Subsidiary	100.00%	2(87)(ii)
60	ooo Marvel Solren Private Limited	Mahindra Towers, Pandurang Budhkar Marg, nr. Doordarshan kendra, Worli, Mumbai-400018, Maharashtra	U74120MH2015PTC269074	Subsidiary	100.00%	2(87)(ii)
61	ooo MSPE URJA S.R.L. (w.e.f. 29.03.2019)	Rovereto, Trentino, Italy	Foreign Company	Subsidiary	100.00%	2(87)(ii)
62	ooo Mahindra Renewables Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U40300MH2010PTC205946	Subsidiary	100.00%	2(87)(ii)
63	▲ Cleansolar Renewable Energy Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U40108MH2013PTC250684	Subsidiary	100.00%	2(87)(ii)
64	▲ Brightsolar Renewable Energy Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U40108MH2013PTC250683	Subsidiary	51.00%	2(87)(ii)
65	▲ Divine Solren Private Limited	Mahindra Towers, Dr. G.M Bhosale Marg, P. K. kurne Chowk, Worli, Mumbai-400018, Maharashtra	U74120MH2015PTC264259	Subsidiary	100.00%	2(87)(ii)
66	▲ Neo Solren Private limited	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai-400018, Maharashtra	U74999MH2015PTC266154	Subsidiary	100.00%	2(87)(ii)
67	▲ Astra Solren Private Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr. Doordarshan Kendra, Worli, Mumbai-400018, Maharashtra	U74120MH2015PTC269256	Subsidiary	100.00%	2(87)(ii)
68	▲ Mega Suryaurja Private Limited (formerly known as Mahindra Suryaurja Private Limited name changed w.e.f. 07.09.2017)	Mahindra Towers, P. K. Kurne Chowk, Worli Mumbai MH 400018	U40103MH2012PTC226016	Subsidiary	100.00%	2(87)(ii)
69	o Bristlecone Ltd.	M&C Corporate Services Ltd., P.O. Box 309GT, Uglund House, South Church St., George Town, Grand Cayman, Cayman Islands.	Foreign Company	Subsidiary	75.17%	2(87)(ii)
70	± Bristlecone International AG	Rheinweg 7, 8200 Schaffhausen	Foreign Company	Subsidiary	100.00%	2(87)(ii)
71	± Bristlecone Consulting Limited	1500 Royal Centre 1055 West Georgia Street Vancouver, BC V6E 4N7.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
72	± Bristlecone Inc.	10 Almaden Blvd, Suite 600 San Jose, CA 95113	Foreign Company	Subsidiary	100.00%	2(87)(ii)
73	± Bristlecone UK Limited	125 Wood Street, London, EC2V 7AN	Foreign Company	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
74	± Bristlecone (Malaysia) Sdn. Bhd.	41/F, Vista Tower, The Intermark, 348 Jalan Tun Razak, Kuala Lumpur City 50400, Malaysia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
75	± Bristlecone Middle East DMCC	Unit No: 30-01-3572 DMCC Business Centre Level No 1, Jewellery & Gemplex 3 Dubai, United Arab Emirates	Foreign Company	Subsidiary	100.00%	2(87)(ii)
76	± Bristlecone India Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U30007MH1991PLC064368	Subsidiary	100.00%	2(87)(ii)
77	≤ Bristlecone (Singapore) Pte. Ltd.	Level 21 & 34, Centennial Tower, 3 Temasek Avenue, Singapore - 039190	Foreign Company	Subsidiary	100.00%	2(87)(ii)
78	≤ Bristlecone GmbH	Partnerport, AlttrottstraBe31, D Walldorf 69190 Germany	Foreign Company	Subsidiary	100.00%	2(87)(ii)
79	Mahindra Holidays & Resorts India Limited	No. 17 / 18, 2 nd floor, Mahindra Towers, Pattulos Road, Chennai 600002.	L55101TN1996PLC036595	Subsidiary	67.31%	2(87)(ii)
80	@ Mahindra Hotels and Residences India Limited	No. 17 & 18, 2 nd floor, Mahindra Towers, Pattulos Road, Chennai 600002.	U55101TN2007PLC063285	Subsidiary	100.00%	2(87)(ii)
81	@ Gables Promoters Private Limited	No - 504, Block A, 5 th Floor, ELANTE Office Suites, Plot No-178-178/A, Industrial Area, Phase 1, Chandigarh - 160 001	U45209CH2012PTC033473	Subsidiary	100.00%	2(87)(ii)
82	@ MH Boutique Hospitality Limited	No. 33/118-119 Wall Street Tower Building, 23 rd Floor Surawongse Road, Suriyawongse sub-district, Bangrak District, Bangkok, Thailand	Foreign Company	Subsidiary	49.00%	2(87)(i)
83	\$ Infinity Hospitality Group Company Limited	No. 20 Soi Sukhumvit 7 (Lerdsin 2), Sukhumvit Road, Khwaeng Khlongtoey Nua, Khet Wattana Bangkok.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
84	@ Heritage Bird (M) Sdn Bhd	802, 8 th Floor, Block C, Kelana Square, 17, Jalan SS7/26, 47301 Petaling Jaya, Selangor. Malaysia.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
85	@ MHR Holdings (Mauritius) Limited	IFS Court, Twenty Eight Cyber City, Ebene, Mauritius	Foreign Company	Subsidiary	100.00%	2(87)(ii)
86	@@ Covington S.á.r.l	16 Avenue Pasteur, L-2310, Luxembourg, Grand Duchy of Luxembourg	Foreign Company	Subsidiary	100.00%	2(87)(ii)
87	\$\$ HCR Management Oy, Finland	Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
88	\$\$ Holiday Club Resorts Oy, Finland	Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	96.47%	2(87)(ii)
89	* Kiinteistö Oy Himos Gardens	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
90	* Kiinteistö Oy Vanha Ykköstii	Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
91	* Kiinteistö Oy Katinnurkka	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
92	* Kiinteistö Oy Tenetinlahti	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
93	* Kiinteistö Oy Mällönsniemi	C/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
94	* Kiinteistö Oy Rauhan Ranta 1	C/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
95	* Kiinteistö Oy Rauhan Ranta 2	C/o Holiday Club Resorts Oy Hitsaajankatu 22, 00810 Helsinki	Foreign Company	Subsidiary	100.00%	2(87)(ii)
96	* Kiinteistö Oy Tiurunniemi	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
97	* Kiinteistö Oy Rauhan Liikekiinteistöt 1	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
98	* Supermarket Capri Oy	C/o Kauppakeskus Capri Oy Vipelentie 3-5, 55320 Rauha	Foreign Company	Subsidiary	100.00%	2(87)(ii)
99	* Kiinteistö Oy Kylpylätorni 1	C/o Holiday Club Isännöinti PL 618, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
100	* Kiinteistö Oy Spa Lofts 2	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
101	* Kiinteistö Oy Spa Lofts 3	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
102	* Kiinteistö Oy Kuusamon Pulkajärvi 1	C/o Holiday Club Isännöinti PL 619, 33101 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
103	* Holiday Club Resorts Rus LLC	Bolshaya Konushennaya str, 8. 191186 St-Petersburg, Russia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
104	* Suomen Vapaa-aikakiinteistöt Oy	C/o Holiday Club Resorts Oy, Lapinniemenranta 12 33180 Tampere	Foreign Company	Subsidiary	100.00%	2(87)(ii)
105	* Holiday Club Sweden AB, Sweden	Box 68, 83010 Åre Sweden	Foreign Company	Subsidiary	100.00%	2(87)(ii)
106	** Holiday Club Sport and Spahotels AB	Box 68, 830 14 Åre, State Jamtlands Lan, Åre Kummun	Foreign Company	Subsidiary	51.00%	2(87)(ii)
107	** Åre Villa 1 AB	C/o Holiday Club Sweden AB, Box 68, 830 14 Åre Sweden	Foreign Company	Subsidiary	100.00%	2(87)(ii)
108	** Åre Villa 2 AB	C/o Holiday Club Sweden AB, Box 68, 830 14 Åre Sweden	Foreign Company	Subsidiary	100.00%	2(87)(ii)
109	** Åre Villa 3 AB (Formerly known as Visionsbolaget 12191 AB, Name changed w.e.f. 15.02.2018)	Box 20, 85102 Sundsvall, Sweden	Foreign Company	Subsidiary	100.00%	2(87)(ii)
110	** Ownership Service Sweden AB	C/o Holiday Club Sweden Ab, box 68, 83010 Åre Sweden	Foreign Company	Subsidiary	100.00%	2(87)(ii)
111	** Holiday Club Canarias Investments S.L.U	Avenida Ministra Anna Lindh no.1. Amadores. Mogan 35130. Canary Islands. Spain	Foreign Company	Subsidiary	100.00%	2(87)(ii)
112	*** Holiday Club Canarias Vacation Club SLU (w.e.f. 19.12.2018) (formerly known as Passeport Sante SL, name changed w.e.f. 20.05.2019)	Avenida Ministra Anna Lindh no.1, Amadores, Mogan 35130, Canary Islands, Spain	Foreign Company	Subsidiary	100.00%	2(87)(ii)
113	*** Holiday Club Canarias Sales & Marketing S.L.U.	Avenida Ministra Anna Lindh no.1. Amadores. Mogan 35130. Canary Islands. Spain	Foreign Company	Subsidiary	100.00%	2(87)(ii)
114	*** Holiday Club Canarias Resort Management S.L.U.	Avenida Ministra Anna Lindh no.1. Amadores. Mogan 35130. Canary Islands. Spain	Foreign Company	Subsidiary	100.00%	2(87)(ii)
115	Mahindra & Mahindra Financial Services Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	L65921MH1991PLC059642	Subsidiary	51.19%	2(87)(ii)
116	ð Mahindra Insurance Brokers Limited	Mahindra Towers, Worli, Mumbai-400018	U65990MH1987PLC042609	Subsidiary	80.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
117	ð Mahindra Rural Housing Finance Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U65922MH2007PLC169791	Subsidiary	88.75%	2(87)(ii)
118	ð Mahindra Asset Management Company Private Limited	4 th Floor, A-Wing, Mahindra Towers, Dr. G M Bhosale Marg, P K Kurne Chowk, Mumbai-400018	U65900MH2013PTC244758	Subsidiary	100.00%	2(87)(ii)
119	ð Mahindra Trustee Company Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U67100MH2013PTC245464	Subsidiary	100.00%	2(87)(ii)
120	Mahindra Trucks and Buses Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U63040MH1994PLC079098	Subsidiary	100.00%	2(87)(ii)
121	◊ Mahindra Automobile Distributor Private Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	U34100MH2005PTC153702	Subsidiary	100.00%	2(87)(ii)
122	Mahindra Lifespace Developers Limited	5 th Floor, Mahindra Towers, Worli, Mumbai-400018	L45200MH1999PLC118949	Subsidiary	51.49%	2(87)(ii)
123	^ Mahindra World City Developers Limited	Ground Floor "Mahindra Towers" 17/18, Pattullous Road, Chennai- 600002.	U92490TN1997PLC037551	Subsidiary	89.00%	2(87)(ii)
124	» Mahindra Industrial Park Chennai Limited	Ground Floor "Mahindra Towers" 17/18, Pattullous Road, Chennai- 600002.	U45209TN2014PLC098543	Subsidiary	60.00%	2(87)(ii)
125	^ Mahindra World City (Jaipur) Limited	4 th Floor, 411, Neelkanth Towers, Bhawani Singh Road, C Scheme, Jaipur, Rajasthan. 302001	U45209RJ2005PLC021207	Subsidiary	74.00%	2(87)(ii)
126	^ Mahindra Integrated Township Limited	Administrative Block, Central Avenue, Mahindra World City, Natham Sub (PO), Chengelpet, Kancheepuram, Tamil Nadu - 603002	U74140TN1996PLC068288	Subsidiary	99.14%	2(87)(ii)
127	∞ Mahindra Residential Developers Limited	Mahindra World City Administrative Block, Chegalpattu, Tamil Nadu - 603002	U45200TN2008PLC066292	Subsidiary	100.00%	2(87)(ii)
128	^ Mahindra World City (Maharashtra) Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U45309MH2005PLC156225	Subsidiary	100.00%	2(87)(ii)
129	◦ Mahindra Knowledge Park Mohali Limited (w.e.f. 07.05.2018)	Swaraj Division, Phase 4, Chandigarh Mohali PB 160055 IN	U00000PB2000PLC024091	Subsidiary	99.97%	2(87)(ii)
130	◦ Deep Mangal Developers Private Ltd.	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U70102MH1989PTC051878	Subsidiary	100.00%	2(87)(ii)
131	^ Knowledge Township Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U72900MH2007PLC173137	Subsidiary	100.00%	2(87)(ii)
132	^ Mahindra Bloomdale Developers Limited (Formerly known as Mahindra Bebanco Developers Limited - Name changed w.e.f. 05.10.2018)	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U45203MH2008PLC183107	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
133	^ Industrial Township (Maharashtra) Ltd.	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U45203MH2008PLC184190	Subsidiary	100.00%	2(87)(ii)
134	^ Mahindra Infrastructure Developers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45201MH2001PLC131942	Subsidiary	100.00%	2(87)(ii)
135	^^ Mahindra Water Utilities Limited	Gateway Building, Apollo Bunder, Mumbai, Maharashtra.	U45205MH1999PLC121235	Subsidiary	99.00%	2(87)(ii)
136	^ Anthurium Developers Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U70109MH2010PLC203619	Subsidiary	100.00%	2(87)(ii)
137	^ Mahindra Industrial Park Private Limited (Formerly known as Industrial Cluster Private Limited- Name changed w.e.f. 28.05.2018)	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U70102MH2013PTC241512	Subsidiary	100.00%	2(87)(ii)
138	^ Mahindra Homes Private Limited	Mahindra Towers, 5 th floor, Worli, Mumbai-400018	U70102MH2010PTC203618	Subsidiary	74.98%	2(87)(ii)
139	^ Mahindra Happinest Developers Limited [Formerly known as Mahindra Happinest Developers Private Limited-name changed w.e.f. 26.09.2017]	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U70100MH2017PLC299424	Subsidiary	51.00%	2(87)(ii)
140	^ Moonshine Construction Private Ltd.	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45200MH1996PTC099607	Subsidiary	100.00%	2(87)(ii)
141	Mahindra Logistics Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	L63000MH2007PLC173466	Subsidiary	58.52%	2(87)(ii)
142	¥¥ Lords Freight (India) Private Limited	Unit No 511, 5 th Floor, Crescent Business Park, Sumitha Complex, Safedpul, Sakinaka, Andheri (East), Mumbai- 400072, India.	U63030MH2011PTC216628	Subsidiary	82.92%	2(87)(ii)
143	¥¥ 2 x 2 Logistics Private Limited	Mahindra Towers, P. K. Kurne Chowk, Dr. G.M. Bhosale Marg, Worli, Mumbai-400018	U63000MH2012PTC237062	Subsidiary	55.00%	2(87)(ii)
144	Mahindra eMarket Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U72900MH2000PLC129103	Subsidiary	69.00%	2(87)(ii)
145	Mahindra Automotive Australia Pty. Ltd.	4/20, Buttonwood Place, Willawong, QLD 4110, Australia	Foreign Company	Subsidiary	100.00%	2(87)(ii)
146	Ssangyong Motor Company	455-12, Dongsak-ro, Pyeongtack-si, South Korea.	Foreign Company	Subsidiary	74.65%	2(87)(ii)
147	≈ SsangYong Australia Pty Limited (w.e.f. 31.07.2018)	Tenancy 1, 424 Warrigal Rd Heatherton VIC 3202	Foreign Company	Subsidiary	100.00%	2(87)(ii)
148	≈ Ssangyong European Parts Center B.V	IABC 5253-5254, 4814RD Breda, the Nederland	Foreign Company	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
149	≈ Ssangyong Motor (Shanghai) Co., Ltd	Beijing City, Chaoyang District, 32 Liangmaqiao Lu, 7layer 707-708, China	Foreign Company	Subsidiary	100.00%	2(87)(ii)
150	≈ SY Auto Capital Co., LTD	124, Teheran-ro, Gangnam-gu, Seoul, South Korea	Foreign Company	Subsidiary	51.00%	2(87)(ii)
151	Mahindra EPC Irrigation Limited (Formerly known as EPC Industrié Limited - Name changed w.e.f. 28.02.2019)	H - 109 , MIDC , Ambad , Nashik - 422010, Maharashtra	L25200MH1981PLC025731	Subsidiary	54.58%	2(87)(ii)
152	↑ Mahindra Top Greenhouses Private Limited (w.e.f. 16.11.2018)	H - 109 , MIDC , Ambad , Nashik - 422010, Maharashtra	U74999MH2018PTC317132	Subsidiary	60.00%	2(87)(ii)
153	Mahindra Defence Systems Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U75220MH2012PLC233889	Subsidiary	100.00%	2(87)(ii)
154	△ Mahindra Defence Naval Systems Limited [Formerly known as Mahindra Defence Naval Systems Private Limited- Name changed w.e.f. 05.03.2018]	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U75144MH2012PLC231267	Subsidiary	100.00%	2(87)(ii)
155	△ Mahindra Telephonics Integrated Systems Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U75302MH2013PLC242268	Subsidiary	51.00%	2(87)(ii)
156	Mahindra 'Electoral Trust' Company	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U93000MH2013NPL251507	Subsidiary	100.00%	2(87)(ii)
157	⊕ Orizonte Business Solutions Limited	Mahindra Towers, Dr. G.M. Bhosale Marg, P.K.Kurne Chowk, Worli, Mumbai-400 018.	U60231MH2000PLC128757	Subsidiary	98.85%	2(87)(ii)
158	Mahindra and Mahindra South Africa (Proprietary) Limited	PO Box 69079, Highveld Park 0169, Eco Fusion no 6, Block C, First floor, 324 Witch Hazel Street, Highveld X59, Pretoria, South Africa.	Foreign Company	Subsidiary	100.00%	2(87)(ii)
159	⊥ Mahindra West Africa Ltd	Coscharis Plaza, 3 rd Floor, 68A, Adeola Odeku Road, Victoria Island, Lagos, Nigeria	Foreign Company	Subsidiary	99.99%	2(87)(ii)
160	NBS International Limited	10 STONE BLDG., SHOP NO.1, OPP CHOWPATTY SEA FACE, MUMBAI-400007	U18101MH1995PLC095482	Subsidiary	100.00%	2(87)(ii)
161	Mahindra Aerospace Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U63033MH2008PTC179520	Subsidiary	88.95%	2(87)(ii)
162	◆ Mahindra Aerostructures Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U35122MH2011PTC212744	Subsidiary	100.00%	2(87)(ii)
163	◆ Mahindra Aerospace Australia Pty. Limited	C/-0, Pitcher Partners, level 19,15, William Street, Melbourne VIC 3008	Foreign Company	Subsidiary	100.00%	2(87)(ii)
164	■ Gippsaero Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3844	Foreign Company	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding β Φ	Applicable Section
165	■ Airvan10 Pty Ltd	C/- Gippsaero Pty Ltd, Latrobe Regional Airport, Airfield Road, Traralgon VIC 3844	Foreign Company	Subsidiary	100.00%	2(87)(ii)
166	■ GA8 Airvan Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
167	■ GA200 Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
168	■ Airvan Flight Services Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
169	■ Nomad TC Pty. Limited	Latrobe Valley Airfield, 75 Airfield Road, Morwell VIC 3840	Foreign Company	Subsidiary	100.00%	2(87)(ii)
170	Trringo.com Limited	Mahindra Towers, Pandurang Budhkar Marg, Nr.Doordarshan Kendra, Worli, Mumbai 400018	U01409MH2016PLC281449	Subsidiary	100.00%	2(87)(ii)
171	Mahindra do Brasil Industrial Ltda.	R Desembargador Do Vale, 800, A Parte Perdizes, Sao Paulo- 05.010-040	Foreign Company	Subsidiary	100.00%	2(87)(ii)
172	Classic Legends Private Limited	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai 400018	U34101MH2015PTC265665	Subsidiary	60.00%	2(87)(ii)
173	▼ BSA Company Limited	Speedwell House, West Quay Road, Southampton, Hampshire, SO151GY	Foreign Company	Subsidiary	100.00%	2(87)(ii)
174	Mahindra Waste To Energy Solutions Limited [Formerly known as Mahindra Waste Energy Solutions Limited] (Name changed w.e.f. 10.08.2017)	Mahindra Towers, Dr. G.M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai – 400 018.	U37200MH2017PLC296622	Subsidiary	100.00%	2(87)(ii)
175	Mahindra Telecom Energy Management Services Limited	Mahindra Towers, Dr. G.M. Bhosale Marg, P.K.Kurne Chowk, Worli, Mumbai – 400 018.	U64204MH2017PLC296621	Subsidiary	100.00%	2(87)(ii)
176	Mahindra Construction Company Ltd.	Mahindra Towers, P. K. Kurne Chowk, Worli, Mumbai-400018	U45200MH1992PLC068846	Subsidiary	91.66%	2(87)(ii)
177	Mahindra Automotive Mauritius Limited (w.e.f. 06.11.2018)	IFS Court, Bank Street, TwentyEight Cybercity, Ebène 72201, Republic of Mauritius	Foreign Company	Subsidiary	100.00%	2(87)(ii)
178	π Automobili Pininfarina GmbH (w.e.f. 07.05.2018) (Formerly known as Blitz 18-371 GmbH - Name changed w.e.f. 15.05.2018)	Dingolfinger Str. 9 81673, Munich, Germany	Foreign Company	Subsidiary	100.00%	2(87)(ii)
179	π π Automobili Pininfarina Americas Inc. (w.e.f. 15.01.2019) (formerly known as Harkey Acquisition, L.L.C., USA, name changed w.e.f. 23.01.2019)	275 Rex Boulevard Auburn Hills, MI USA 48326	Foreign Company	Subsidiary	100.00%	2(87)(ii)

Sr. No.	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% Holding Φ	Applicable Section
180	Swaraj Engines Limited	Phase IV, Industrial Area, S.A.S. Nagar (Mohali), Punjab	L50210PB1985PLC006473	Associate	33.30%	2(6)
181	Officemart India.com Limited.	Gateway Building, Apollo Bunder, Mumbai 400 001	U74999MH2000PLC126610	Associate	50.00%	2(6)
182	Mahindra & Mahindra Contech Limited	Mahindra Towers, Dr. G M Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai-400018	U74140MH1992PLC066606	Associate	23.33%	2(6)
183	Kota Farm Services Limited	Mahindra Towers, Worli, Mumbai-400018	U02005MH2001PLC131699	Associate	45.00%	2(6)
184	Tech Mahindra Limited	Gateway Building, Apollo Bunder, Mumbai 400 001	L64200MH1986PLC041370	Associate	26.06%	2(6)
185	Mitsubishi Mahindra Agricultural Machinery co., Ltd.	667-1 Iya, Higashiizumo-cho, Matsue-city, Shimane-prefecture, 699-0195 Japan	Foreign Company	Associate	33.33%	2(6)
186	Sampo Rosenlew Oy	Konepajaranta 2, P.O. Box 50 FIN-28101 Pori, Finland	Foreign Company	Associate	49.04%	2(6)
187	PF Holdings B.V.	Maanplein 7, Gebouw 4, (TP-4), 2516 CK, Den Haag, Netherlands	Foreign Company	Associate	40.00%	2(6)
188	M.I.T.R.A Agro Equipments Private Limited	5, Court Lane, Sehgal Colony, Civil Lines, Delhi-110054	U29253DL2012PTC234388	Associate	27.06%	2(6)
189	Carnot Technologies Private Limited	103 & 103, 1 st Floor, Plot 952/954, Orbit Plaza CHS New Prabhdevi Road Mumbai Mumbai City MH 400025	U72300MH2015PTC267700	Associate	23.66%	2(6)
190	ZoomCar Inc	2437, S Fillmore, ST, Denver, Co 80210	Foreign Company	Associate	— Σ	2(6)
191	Resfeber Labs Private Limited	Plot No. 107, 2 nd Floor, Western Insia, Maro Co-operative Industrial Estate, Andheri (East), Mumbai 400059	U7499MH2014PTC306120	Associate	14.61% μ	2(6)
192	Mahindra Ideal Lanka (Private) Limited (w.e.f. 31.05.2018)	299, Union Place, Colombo 02, Sri Lanka	Foreign Company	Associate	35.00%	2(6)
193	Mahindra Sanyo Special Steel Private Limited (w.e.f. 21.06.2018)	74, Ganesh Apartment, Opp: Sitaladevi temple, L.J. Road, MAHIM (West), Mumbai - 400016.	U27310MH2011PTC223696	Associate	22.81%	2(6)

- β Percentage holding in subsidiaries represents aggregate percentage of shares held by the Company (M&M) and/ or its subsidiaries.
- Φ Percentage shareholding in Subsidiaries/Associates based on the voting power held by the Company ("M&M") and/or its Subsidiaries.
- ζ CIN and Address changed to U34101MH1996PLC325507 and Mahindra Towers, Dr. G. M. Bhosale Marg, P. K. Kurne Chowk, Worli, Mumbai, Mumbai City MH 400018 respectively, post the year end.
- Θ ceased w.e.f. 25th April, 2019.
- Σ Significant Influence is through right to participate in business decisions, arising out of contractual agreement. Additionally the Company holds 3,63,752 compulsory convertible preference shares of Zoomcar India Private Limited, a Subsidiary of Zoomcar Inc, comprising of approx. 10.96% of the total equity share capital and compulsory convertible preference share capital.
- μ Significant Influence is through right to participate in business decisions, arising out of contractual agreement.
- # a subsidiary of Mahindra Engineering and Chemical Products Limited
- ## a subsidiary of Retail Initiative Holdings Limited
- a subsidiary of Mahindra Overseas Investment Company (Mauritius) Limited
- a subsidiary of Mahindra Emirates Vehicle Armouring FZ-LLC
- x a subsidiary of Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi
- Ω a subsidiary of Mahindra Automotive North America Inc.
- £ a subsidiary of Mahindra Vehicle Manufacturers Limited
- ¥ a subsidiary of Mahindra Intertrade Limited
- ! a subsidiary of Mahindra Two Wheelers Europe Holdings S.ar.l.
- !! a subsidiary of Peugeot Motorcycles S.A.S.
- !!! a subsidiary of Peugeot Motorcycles Italia SpA
- σ a subsidiary of Mahindra USA, Inc.
- \equiv a subsidiary of Mahindra Agri Solutions Limited
- $\equiv\equiv$ a subsidiary of Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V
- i a subsidiary of OFD Holding BV
- i i a subsidiary of Origin Direct Asia Ltd
- ~ a subsidiary of Mahindra Consulting Engineers Limited
- \emptyset a subsidiary of Mahindra Holdings Limited
- $\emptyset\emptyset$ a subsidiary of Mahindra First Choice Services Limited
- $\emptyset\emptyset\emptyset$ a subsidiary of Mahindra Susten Private Limited
- \blacktriangle a subsidiary of Mahindra Renewables Private Limited
- \pm a subsidiary of Bristlecone Ltd
- \leq a subsidiary of Bristlecone India Limited
- @ a subsidiary of Mahindra Holidays & Resorts India Limited
- \$ a subsidiary of MH Boutique Hospitality Limited
- @ @ a subsidiary of MHR Holdings (Mauritius) Limited
- \$\$\$ a subsidiary of Covington S.á.r.l
- * a subsidiary of Holiday Club Resorts Oy, Finland
- ** a subsidiary of Holiday Club Sweden AB, Sweden
- *** a subsidiary of Holiday Club Canarias Investments S.L.U.
- ö a subsidiary of Mahindra & Mahindra Financial Services Limited
- ◇ a subsidiary of Mahindra Trucks and Buses Limited
- ^ a subsidiary of Mahindra Lifespace Developers Limited
- » a subsidiary of Mahindra World City Developers Limited
- ∞ a subsidiary of Mahindra Integrated Township Limited
- ° a subsidiary of Mahindra World City (Maharashtra) Limited
- ^ ^ a subsidiary of Mahindra Infrastructure Developers Limited
- ¥¥ a subsidiary of Mahindra Logistics Limited
- \approx a subsidiary of Ssangyong Motor Company
- ↑ a subsidiary of Mahindra EPC Irrigation Limited
- † a subsidiary of Mahindra Defence Systems Limited
- ⊥ a subsidiary of Mahindra and Mahindra South Africa (Proprietary) Limited
- ◆ a subsidiary of Mahindra Aerospace Private Limited
- a subsidiary of Mahindra Aerospace Australia Pty. Limited
- ▼ a subsidiary of Classic Legends Private Limited
- π a subsidiary of Mahindra Automotive Mauritius Limited
- $\pi\pi$ a subsidiary of Automobili Pininfarina GmbH

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2018]				No. of Shares held at the end of the year [As on 31 st March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	7331574	0	7331574	0.59	7331574	0	7331574	0.59	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0	0.00
d) Bodies Corp.	142256772	0	142256772	11.44	142256772	0	142256772	11.44	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
f) Any other									
i) M&M Benefit Trust – Bharat N Doshi, A. K. Nanda – Trustees	103670428	0	103670428	8.34	103670428	0	103670428	8.34	0.00
ii) Anand Mahindra Family Trust @	0	0	0	0	0	0	0	0	0.00
iii) Mahindra Family Trust – I @	0	0	0	0	0	0	0	0	0.00
iv) Yuthica Mahindra Family Trust#	NA	NA	NA	NA	0	0	0	0	0.00
Sub-total (A)(1)	253258774	0	253258774	20.37	253258774	0	253258774	20.37	0.00
(2) Foreign									
a) NRIs – Individuals	1012344	0	1012344	0.08	895344	0	895344	0.07	-0.01
b) Others – Individuals	0	0	0	0.00	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0	0.00
e) Any other	0	0	0	0.00	0	0	0	0	0.00
Sub-total (A)(2)	1012344	0	1012344	0.08	895344	0	895344	0.07	-0.01
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	254271118	0	254271118	20.45	254154118	0	254154118	20.44	-0.01
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/ UTI	113183557	0	113183557	9.10	123941673	0	123941673	9.97	0.87
b) Banks / FI	2611120	66800	2677920	0.22	2998541	65808	3064349	0.25	0.03
c) Central Govt	1096452	0	1096452	0.09	1328413	0	1328413	0.11	0.02
d) State Govt(s)	0	884264	884264	0.07	0	884264	884264	0.07	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
f) Insurance Companies	132634352	0	132634352	10.67	149453165	0	149453165	12.02	1.35
g) FIs	4750419	64	4750483	0.38	2961261	64	2961325	0.24	-0.14
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0	0.00
i) Others (specify)									
i) Foreign Portfolio – Corp \$	167399377	0	167399377	13.46	366881916	0	366881916	29.51	16.05
ii) Foreign Portfolio Investors \$	221358569	0	221358569	17.81	0	0	0	0.00	-17.81
iii) Alternate Investment Funds	1190725	0	1190725	0.10	389484	0	389484	0.03	-0.07
Sub-total (B)(1)	644224571	951128	645175699	51.90	647954453	950136	648904589	52.20	0.30

@ Prudential Management & Services Private Limited (PMSL) is a member of the Promoter and Promoter Group of the Company. The erstwhile shareholders of PMSL who held 50% of its paid-up share capital settled the shares held by them into 'Anand Mahindra Family Trust' and 'Mahindra Family Trust – I', resulting in an indirect acquisition of voting rights of the Company.

Mr. Keshub Mahindra jointly with Ms. Sudha Mahindra settled part of their shareholding in PMSL constituting 5% of the paid-up share capital of PMSL, into 'Yuthica Mahindra Family Trust' resulting into indirect transfer of voting rights held by PMSL in the Company.

\$ Depositories have re-grouped all Foreign Portfolio Investors in single category of Foreign Portfolio - Corp. Hence, NIL holding is reflecting in category of Foreign Portfolio Investors as at the end of the year.

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1 st April, 2018]				No. of Shares held at the end of the year [As on 31 st March, 2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	80581776	107592	80689368	6.49	80240397	72240	80312637	6.46	-0.03
ii) Overseas	3215440	0	3215440	0.26	3215440	0	3215440	0.26	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	69827709	5932526	75760235	6.09	79749481	4437404	84186885	6.77	0.68
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	31248593	701328	31949921	2.57	29205649	557928	29763577	2.39	-0.18
c) Others (specify)									
i) Non Resident Indians	4137156	350272	4487428	0.36	5017391	244490	5261881	0.42	0.06
ii) Foreign Nationals	1318	0	1318	0.00	1389	0	1389	0.00	0.00
iii) Trusts	11205634	0	11205634	0.90	12673644	0	12673644	1.02	0.12
iv) Clearing Members	2861839	0	2861839	0.23	2723506	0	2723506	0.22	-0.01
v) Foreign Corporate Bodies	499115	0	499115	0.04	498528	0	498528	0.04	0.00
vi) NBFCs registered with RBI	1367211	0	1367211	0.11	1231236	0	1231236	0.10	-0.01
vii) Investor Education and Protection Fund Authority, Ministry of Corporate Affairs	2200468	0	2200468	0.18	2261820	0	2261820	0.18	0.00
viii) Qualified Institutional Buyer	0	0	0	0.00	106	0	106	0.00	0.00
ix) Unclaimed Suspense Account	0	0	0	0.00	595104	0	595104	0.05	0.05
Sub-total (B)(2)	207146259	7091718	214237977	17.23	217413691	5312062	222725753	17.91	0.68
Total Public Shareholding (B)=(B)(1)+(B)(2)	851370830	8042846	859413676	69.13	865368144	6262198	871630342	70.11	0.98
C. Shares held by Custodian for GDRs & ADRs	72186492	0	72186492	5.81	61740932	0	61740932	4.97	-0.84
D. Non Promoter Non Public									
a) Mahindra and Mahindra Employees Stock Option Trust ^	53259518	0	53259518	4.28	51605412	0	51605412	4.15	-0.13
b) Employees Welfare Trusts – Vilas Yashwant Paranjape, Vijay Bhalchandra Thakurdesai, Arindam Amal Ghosh – Trustees	4061740	0	4061740	0.33	4061740	0	4061740	0.33	0.00
Sub-total (D)	57321258	0	57321258	4.61	55667152	0	55667152	4.48	-0.13
Grand Total (A+B+C+D)	1235149698	8042846	1243192544	100.00	1236930346	6262198	1243192544	100.00	0.00

^ The change in the percentage of shareholding during the year is due to transfer of shares to the employees pursuant to exercise of ESOPs.

ii) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1 st April, 2018]			Shareholding at the end of the year [As on 31 st March, 2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Keshub Mahindra	884592	0.07	0.00	884592	0.07	0.00	0.00
2	Anand Gopal Mahindra	1430008	0.12	0.00	1430008	0.12	0.00	0.00
3	Anjali Kumari Mehra	222208	0.02	0.00	222208	0.02	0.00	0.00
4	Anuja P Sharma	0	0.00	0.00	0	0.00	0.00	0.00
5	Anuradha Mahindra	457090	0.04	0.00	457090	0.04	0.00	0.00
6	Gautam P Khandelwal	4600	0.00	0.00	4600	0.00	0.00	0.00
7	Leena S Labroo	1412384	0.11	0.00	1252384	0.10	0.00	-0.01
8	Radhika Nath	93616	0.01	0.00	93616	0.01	0.00	0.00
9	Sanjay Labroo	145440	0.01	0.01	145440	0.01	0.01	0.00
10	Sudha K Mahindra	1452032	0.12	0.00	1452032	0.12	0.00	0.00
11	Uma R Malhotra	1009604	0.08	0.00	1009604	0.08	0.00	0.00
12	Deveshwar Jagat Sharma	30000	0.00	0.00	30000	0.00	0.00	0.00
13	Dhruv S Sharma	30000	0.00	0.00	30000	0.00	0.00	0.00
14	Yuthica Keshub Mahindra	1012344	0.08	0.00	895344	0.07	0.00	-0.01
15	Aneesha Labroo	NA	NA	NA	160000	0.01	0.00	0.01
16	Nisheeta Labroo	160000	0.01	0.00	160000	0.01	0.00	0.00
17	Kema Services International Pvt. Ltd.	734832	0.06	0.00	734832	0.06	0.00	0.00
18	Prudential Management and Services Pvt. Ltd.	141521940	11.38	1.16	141521940	11.38	0.57	0.00
19	M&M Benefit Trust – Bharat N Doshi, A.K. Nanda - Trustees	103670428	8.34	0.00	103670428	8.34	0.00	0.00
20	Anand Mahindra Family Trust @	0	0.00	0.00	0	0.00	0.00	0.00
21	Mahindra Family Trust – I @	0	0.00	0.00	0	0.00	0.00	0.00
22	Yuthica Mahindra Family Trust#	NA	NA	NA	0	0.00	0.00	0.00
	Total	254271118	20.45	1.18	254154118	20.44	0.58	-0.01

@ Prudential Management & Services Private Limited (PMSL) is a member of the Promoter and Promoter Group of the Company. The erstwhile shareholders of PMSL who held 50% of its paid-up share capital settled the shares held by them into 'Anand Mahindra Family Trust' and 'Mahindra Family Trust – I', resulting in an indirect acquisition of voting rights of the Company.

Mr. Keshub Mahindra jointly with Ms. Sudha Mahindra settled part of their shareholding in PMSL constituting 5% of the paid-up share capital of PMSL, into 'Yuthica Mahindra Family Trust' resulting into indirect transfer of voting rights held by PMSL in the Company.

iii) Change in Promoters' Shareholding

Sr. No.	Particulars	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase/Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
	At the beginning of the year – As on 01.04.2018	254271118	20.45			
1	Decrease - 22.11.2018 Transfer by way of gift @			-160000	254111118	20.44
2	Increase - 22.11.2018 Received by way of gift @			160000	254271118	20.45
3	Decrease - 19.02.2019 Market Sale β			-25000	254246118	20.45
4	Decrease - 20.02.2019 Market Sale β			-25000	254221118	20.45
5	Decrease - 21.02.2019 Market Sale β			-25000	254196118	20.45
6	Decrease - 22.02.2019 Market Sale β			-25000	254171118	20.45
7	Decrease - 25.02.2019 Market Sale β			-12000	254159118	20.44
8	Decrease - 26.02.2019 Market Sale β			-5000	254154118	20.44
	At the End of the year – As on 31.03.2019				254154118	20.44

@ Gift by Leena S Labroo to Aneesha Labroo

β Transfer by Yuthica Keshub Mahindra

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

1. LIFE INSURANCE CORPORATION OF INDIA						
	Increase or Decrease/Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase/Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		108368931	8.72			
06/04/2018	Decrease/Transfer			-1450	108367481	8.72
21/09/2018	Decrease/Transfer			-361123	108006358	8.69
28/09/2018	Decrease/Transfer			-30892	107975466	8.69
21/12/2018	Increase/Transfer			541704	108517170	8.73
28/12/2018	Increase/Transfer			856523	109373693	8.80
31/12/2018	Increase/Transfer			259500	109633193	8.82
04/01/2019	Increase/Transfer			684000	110317193	8.87
11/01/2019	Increase/Transfer			1351449	111668642	8.98
18/01/2019	Increase/Transfer			1024992	112693634	9.06
25/01/2019	Increase/Transfer			717000	113410634	9.12
01/02/2019	Increase/Transfer			613621	114024255	9.17
08/02/2019	Increase/Transfer			1005010	115029265	9.25
15/02/2019	Increase/Transfer			1324590	116353855	9.36
22/02/2019	Increase/Transfer			921565	117275420	9.43
01/03/2019	Increase/Transfer			1308422	118583842	9.54
08/03/2019	Increase/Transfer			1200974	119784816	9.64
15/03/2019	Increase/Transfer			1301978	121086794	9.74
22/03/2019	Increase/Transfer			798347	121885141	9.80
29/03/2019	Increase/Transfer			1397557	123282698	9.92
At the end of the year – 31.03.2019					123282698	9.92

2. MAHINDRA AND MAHINDRA EMPLOYEES STOCK OPTION TRUST

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		53259518	4.28			
20/04/2018	Decrease/Transfer			-65048	53194470	4.28
14/05/2018	Decrease/Transfer			-66778	53127692	4.27
22/05/2018	Decrease/Transfer			-17972	53109720	4.27
13/06/2018	Decrease/Transfer			-49102	53060618	4.27
21/06/2018	Decrease/Transfer			-37672	53022946	4.27
11/07/2018	Decrease/Transfer			-72134	52950812	4.26
23/07/2018	Decrease/Transfer			-34632	52916180	4.26
13/08/2018	Decrease/Transfer			-28430	52887750	4.25
24/08/2018	Decrease/Transfer			-22650	52865100	4.25
14/09/2018	Decrease/Transfer			-75038	52790062	4.25
24/09/2018	Decrease/Transfer			-27748	52762314	4.24
12/10/2018	Decrease/Transfer			-39184	52723130	4.24
24/10/2018	Decrease/Transfer			-65860	52657270	4.24
13/11/2018	Decrease/Transfer			-78632	52578638	4.23
22/11/2018	Decrease/Transfer			-24820	52553818	4.23
13/12/2018	Decrease/Transfer			-101864	52451954	4.22
21/12/2018	Decrease/Transfer			-53704	52398250	4.21
14/01/2019	Decrease/Transfer			-34310	52363940	4.21
22/01/2019	Decrease/Transfer			-37352	52326588	4.21
13/02/2019	Decrease/Transfer			-36828	52289760	4.21
21/02/2019	Decrease/Transfer			-25822	52263938	4.20
13/03/2019	Decrease/Transfer			-227746	52036192	4.19
26/03/2019	Decrease/Transfer			-430780	51605412	4.15
At the end of the year – 31.03.2019					51605412	4.15

3. FIRST STATE INVESTMENTS ICVC- STEWART INVESTORS ASIA PACIFIC LEADERS FUND

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		42824384	3.44			
08/02/2019	Increase/Transfer			1934468	44758852	3.60
15/02/2019	Increase/Transfer			3148692	47907544	3.85
22/02/2019	Decrease/Transfer			-5083248	42824296	3.44
At the end of the year – 31.03.2019					42824296	3.44

4. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		32018208	2.58			
06/04/2018	Increase/Transfer			383728	32401936	2.61
13/04/2018	Increase/Transfer			48188	32450124	2.61
20/04/2018	Decrease/Transfer			-168226	32281898	2.60
27/04/2018	Decrease/Transfer			-89066	32192832	2.59
04/05/2018	Decrease/Transfer			-464780	31728052	2.55
11/05/2018	Decrease/Transfer			-163041	31565011	2.54
18/05/2018	Decrease/Transfer			-480303	31084708	2.50
25/05/2018	Decrease/Transfer			-994509	30090199	2.42
01/06/2018	Decrease/Transfer			-183613	29906586	2.41
08/06/2018	Decrease/Transfer			-635932	29270654	2.35
15/06/2018	Increase/Transfer			134137	29404791	2.37
22/06/2018	Decrease/Transfer			-153561	29251230	2.35
29/06/2018	Decrease/Transfer			-937692	28313538	2.28
06/07/2018	Increase/Transfer			43148	28356686	2.28
13/07/2018	Decrease/Transfer			-297727	28058959	2.26
20/07/2018	Decrease/Transfer			-106361	27952598	2.25
27/07/2018	Decrease/Transfer			-11939	27940659	2.25
03/08/2018	Increase/Transfer			549421	28490080	2.29
10/08/2018	Decrease/Transfer			-448016	28042064	2.26
17/08/2018	Decrease/Transfer			-546712	27495352	2.21
24/08/2018	Decrease/Transfer			-98471	27396881	2.20
31/08/2018	Decrease/Transfer			-518267	26878614	2.16
07/09/2018	Decrease/Transfer			-241738	26636876	2.14
14/09/2018	Decrease/Transfer			-229064	26407812	2.12
21/09/2018	Increase/Transfer			60667	26468479	2.13
28/09/2018	Increase/Transfer			656802	27125281	2.18
05/10/2018	Decrease/Transfer			-197608	26927673	2.17
12/10/2018	Increase/Transfer			96199	27023872	2.17
19/10/2018	Increase/Transfer			241982	27265854	2.19
26/10/2018	Increase/Transfer			737242	28003096	2.25
02/11/2018	Increase/Transfer			896904	28900000	2.32
09/11/2018	Decrease/Transfer			-23560	28876440	2.32
16/11/2018	Increase/Transfer			40344	28916784	2.33
23/11/2018	Decrease/Transfer			-1376	28915408	2.33
30/11/2018	Increase/Transfer			52919	28968327	2.33
07/12/2018	Decrease/Transfer			-1006997	27961330	2.25
14/12/2018	Decrease/Transfer			-84061	27877269	2.24
21/12/2018	Increase/Transfer			161831	28039100	2.26
28/12/2018	Decrease/Transfer			-14020	28025080	2.25
31/12/2018	Increase/Transfer			8506	28033586	2.25
04/01/2019	Decrease/Transfer			-2878099	25155487	2.02
11/01/2019	Decrease/Transfer			-38748	25116739	2.02
18/01/2019	Decrease/Transfer			-33094	25083645	2.02
25/01/2019	Decrease/Transfer			-1423218	23660427	1.90

4. ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
01/02/2019	Decrease/Transfer			-880691	22779736	1.83
08/02/2019	Decrease/Transfer			-291594	22488142	1.81
15/02/2019	Increase/Transfer			57964	22546106	1.81
22/02/2019	Decrease/Transfer			-159504	22386602	1.80
01/03/2019	Increase/Transfer			655131	23041733	1.85
08/03/2019	Increase/Transfer			285286	23327019	1.88
15/03/2019	Increase/Transfer			430384	23757403	1.91
22/03/2019	Increase/Transfer			611177	24368580	1.96
29/03/2019	Increase/Transfer			228938	24597518	1.98
At the end of the year – 31.03.2019					24597518	1.98

5. GOVERNMENT OF SINGAPORE

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		32223186	2.59			
06/04/2018	Decrease/Transfer			-66047	32157139	2.59
13/04/2018	Decrease/Transfer			-45737	32111402	2.58
20/04/2018	Decrease/Transfer			-1214800	30896602	2.49
27/04/2018	Decrease/Transfer			-344172	30552430	2.46
04/05/2018	Decrease/Transfer			-7704	30544726	2.46
11/05/2018	Decrease/Transfer			-139326	30405400	2.45
18/05/2018	Decrease/Transfer			-1052899	29352501	2.36
25/05/2018	Decrease/Transfer			-199115	29153386	2.35
01/06/2018	Decrease/Transfer			-1168212	27985174	2.25
08/06/2018	Decrease/Transfer			-476734	27508440	2.21
15/06/2018	Decrease/Transfer			-266405	27242035	2.19
22/06/2018	Decrease/Transfer			-1226947	26015088	2.09
29/06/2018	Decrease/Transfer			-206037	25809051	2.08
06/07/2018	Decrease/Transfer			-99707	25709344	2.07
13/07/2018	Decrease/Transfer			-2373283	23336061	1.88
20/07/2018	Decrease/Transfer			-120972	23215089	1.87
27/07/2018	Decrease/Transfer			-934149	22280940	1.79
03/08/2018	Decrease/Transfer			-355497	21925443	1.76
10/08/2018	Decrease/Transfer			-1437814	20487629	1.65
17/08/2018	Decrease/Transfer			-602116	19885513	1.60
24/08/2018	Decrease/Transfer			-612488	19273025	1.55
31/08/2018	Increase/Transfer			436079	19709104	1.59
07/09/2018	Decrease/Transfer			-880226	18828878	1.51
14/09/2018	Increase/Transfer			73018	18901896	1.52
21/09/2018	Decrease/Transfer			-765694	18136202	1.46
28/09/2018	Decrease/Transfer			-1128320	17007882	1.37
05/10/2018	Decrease/Transfer			-474005	16533877	1.33
12/10/2018	Decrease/Transfer			-12328	16521549	1.33
19/10/2018	Increase/Transfer			305843	16827392	1.35
02/11/2018	Increase/Transfer			25210	16852602	1.36

5. GOVERNMENT OF SINGAPORE						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
09/11/2018	Increase/Transfer			103118	16955720	1.36
23/11/2018	Increase/Transfer			87812	17043532	1.37
30/11/2018	Increase/Transfer			432962	17476494	1.41
07/12/2018	Decrease/Transfer			-31694	17444800	1.40
21/12/2018	Increase/Transfer			121740	17566540	1.41
28/12/2018	Decrease/Transfer			-6390	17560150	1.41
04/01/2019	Increase/Transfer			74957	17635107	1.42
08/02/2019	Increase/Transfer			229800	17864907	1.44
01/03/2019	Decrease/Transfer			-359122	17505785	1.41
08/03/2019	Decrease/Transfer			-213626	17292159	1.39
15/03/2019	Decrease/Transfer			-841053	16451106	1.32
22/03/2019	Decrease/Transfer			-135148	16315958	1.31
At the end of the year – 31.03.2019					16315958	1.31

6. GENERAL INSURANCE CORPORATION OF INDIA						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		12200000	0.98			
11/05/2018	Decrease/Transfer			-100000	12100000	0.97
15/06/2018	Decrease/Transfer			-100000	12000000	0.97
29/06/2018	Decrease/Transfer			-50000	11950000	0.96
13/07/2018	Decrease/Transfer			-25000	11925000	0.96
20/07/2018	Decrease/Transfer			-25000	11900000	0.96
27/07/2018	Decrease/Transfer			-100000	11800000	0.95
10/08/2018	Decrease/Transfer			-100000	11700000	0.94
24/08/2018	Decrease/Transfer			-200000	11500000	0.93
07/12/2018	Increase/Transfer			100000	11600000	0.93
14/12/2018	Increase/Transfer			292000	11892000	0.96
21/12/2018	Increase/Transfer			108000	12000000	0.97
04/01/2019	Increase/Transfer			40000	12040000	0.97
11/01/2019	Increase/Transfer			110000	12150000	0.98
25/01/2019	Increase/Transfer			25000	12175000	0.98
01/02/2019	Increase/Transfer			40000	12215000	0.98
08/02/2019	Increase/Transfer			135000	12350000	0.99
At the end of the year – 31.03.2019					12350000	0.99

7. VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF THE VANGUARD INTERNATIONAL EQUITY INDEX FUND						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		10304106	0.83			
04/05/2018	Decrease/Transfer			-19420	10284686	0.83
11/05/2018	Decrease/Transfer			-18449	10266237	0.83

7. VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF THE VANGUARD INTERNATIONAL EQUITY INDEX FUND

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
01/06/2018	Decrease/Transfer			-14565	10251672	0.82
15/06/2018	Decrease/Transfer			-14565	10237107	0.82
22/06/2018	Decrease/Transfer			-401435	9835672	0.79
29/06/2018	Decrease/Transfer			-158085	9677587	0.78
06/07/2018	Decrease/Transfer			-24840	9652747	0.78
13/07/2018	Decrease/Transfer			-39560	9613187	0.77
16/11/2018	Increase/Transfer			13710	9626897	0.77
23/11/2018	Increase/Transfer			35646	9662543	0.78
07/12/2018	Increase/Transfer			17366	9679909	0.78
21/12/2018	Increase/Transfer			49356	9729265	0.78
28/12/2018	Decrease/Transfer			-115603	9613662	0.77
01/02/2019	Increase/Transfer			54056	9667718	0.78
08/02/2019	Increase/Transfer			145262	9812980	0.79
15/02/2019	Increase/Transfer			27158	9840138	0.79
22/03/2019	Decrease/Transfer			-642104	9198034	0.74
29/03/2019	Increase/Transfer			21436	9219470	0.74
At the end of the year – 31.03.2019					9219470	0.74

8. ICICI PRUDENTIAL VALUE DISCOVERY FUND

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		9607344	0.77			
26/10/2018	Decrease/Transfer			-1084730	8522614	0.69
08/02/2019	Decrease/Transfer			-29498	8493116	0.68
08/03/2019	Increase/Transfer			100000	8593116	0.69
At the end of the year - 31.03.2019					8593116	0.69

9. HDFC LIFE INSURANCE COMPANY LIMITED

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		9929923	0.80			
06/04/2018	Decrease/Transfer			-19831	9910092	0.80
13/04/2018	Increase/Transfer			900	9910992	0.80
20/04/2018	Decrease/Transfer			-64519	9846473	0.79
27/04/2018	Decrease/Transfer			-295591	9550882	0.77
04/05/2018	Decrease/Transfer			-15908	9534974	0.77
11/05/2018	Decrease/Transfer			-26815	9508159	0.76
18/05/2018	Decrease/Transfer			-28590	9479569	0.76
01/06/2018	Decrease/Transfer			-27905	9451664	0.76
08/06/2018	Decrease/Transfer			-5000	9446664	0.76
15/06/2018	Decrease/Transfer			-99631	9347033	0.75
22/06/2018	Decrease/Transfer			-7292	9339741	0.75
29/06/2018	Decrease/Transfer			-77802	9261939	0.75

9. HDFC LIFE INSURANCE COMPANY LIMITED

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
13/07/2018	Increase/Transfer			3763	9265702	0.75
20/07/2018	Decrease/Transfer			-24106	9241596	0.74
27/07/2018	Decrease/Transfer			-54182	9187414	0.74
03/08/2018	Decrease/Transfer			-51811	9135603	0.73
10/08/2018	Increase/Transfer			15730	9151333	0.74
17/08/2018	Decrease/Transfer			-5548	9145785	0.74
24/08/2018	Decrease/Transfer			-21917	9123868	0.73
31/08/2018	Decrease/Transfer			-11252	9112616	0.73
14/09/2018	Decrease/Transfer			-2670	9109946	0.73
21/09/2018	Decrease/Transfer			-12	9109934	0.73
28/09/2018	Decrease/Transfer			-4665	9105269	0.73
05/10/2018	Increase/Transfer			38543	9143812	0.74
12/10/2018	Decrease/Transfer			-1578	9142234	0.74
19/10/2018	Increase/Transfer			25053	9167287	0.74
26/10/2018	Decrease/Transfer			-55674	9111613	0.73
02/11/2018	Decrease/Transfer			-15782	9095831	0.73
09/11/2018	Increase/Transfer			1965	9097796	0.73
16/11/2018	Increase/Transfer			34726	9132522	0.73
23/11/2018	Increase/Transfer			20274	9152796	0.74
30/11/2018	Increase/Transfer			31235	9184031	0.74
07/12/2018	Increase/Transfer			7424	9191455	0.74
14/12/2018	Decrease/Transfer			-7171	9184284	0.74
21/12/2018	Decrease/Transfer			-13104	9171180	0.74
28/12/2018	Increase/Transfer			7	9171187	0.74
04/01/2019	Decrease/Transfer			-78060	9093127	0.73
11/01/2019	Decrease/Transfer			-22193	9070934	0.73
18/01/2019	Decrease/Transfer			-142751	8928183	0.72
25/01/2019	Decrease/Transfer			-350180	8578003	0.69
01/02/2019	Decrease/Transfer			-215187	8362816	0.67
08/02/2019	Decrease/Transfer			-224343	8138473	0.65
15/02/2019	Decrease/Transfer			-365339	7773134	0.63
22/02/2019	Decrease/Transfer			-27192	7745942	0.62
01/03/2019	Increase/Transfer			8366	7754308	0.62
08/03/2019	Decrease/Transfer			-17986	7736322	0.62
15/03/2019	Increase/Transfer			85	7736407	0.62
22/03/2019	Decrease/Transfer			-31310	7705097	0.62
29/03/2019	Decrease/Transfer			-3684	7701413	0.62
At the end of the year – 31.03.2019					7701413	0.62

10. EUROPACIFIC GROWTH FUND

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		15700000	1.26			
15/02/2019	Decrease/Transfer			-500000	15200000	1.22
22/02/2019	Decrease/Transfer			-2270000	12930000	1.04
08/03/2019	Decrease/Transfer			-12930000	0	0.00
At the end of the year – 31.03.2019					0	0.00

11. SBI LIFE INSURANCE CO. LTD ^

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		6103419	0.49			
06/04/2018	Increase/Transfer			146683	6250102	0.50
13/04/2018	Increase/Transfer			3445	6253547	0.50
20/04/2018	Decrease/Transfer			-1541	6252006	0.50
27/04/2018	Decrease/Transfer			-26194	6225812	0.50
04/05/2018	Increase/Transfer			51276	6277088	0.50
11/05/2018	Decrease/Transfer			-23579	6253509	0.50
18/05/2018	Increase/Transfer			3879	6257388	0.50
25/05/2018	Increase/Transfer			14290	6271678	0.50
01/06/2018	Increase/Transfer			327171	6598849	0.53
08/06/2018	Increase/Transfer			40344	6639193	0.53
15/06/2018	Increase/Transfer			555996	7195189	0.58
22/06/2018	Increase/Transfer			135569	7330758	0.59
29/06/2018	Decrease/Transfer			-19386	7311372	0.59
06/07/2018	Decrease/Transfer			-19067	7292305	0.59
13/07/2018	Increase/Transfer			134903	7427208	0.60
20/07/2018	Increase/Transfer			47086	7474294	0.60
27/07/2018	Increase/Transfer			172866	7647160	0.62
03/08/2018	Increase/Transfer			93958	7741118	0.62
10/08/2018	Increase/Transfer			207404	7948522	0.64
17/08/2018	Decrease/Transfer			-11108	7937414	0.64
24/08/2018	Decrease/Transfer			-25233	7912181	0.64
31/08/2018	Decrease/Transfer			-3866	7908315	0.64
07/09/2018	Increase/Transfer			109868	8018183	0.64
14/09/2018	Decrease/Transfer			-63351	7954832	0.64
21/09/2018	Decrease/Transfer			-6469	7948363	0.64
28/09/2018	Increase/Transfer			181436	8129799	0.65
05/10/2018	Decrease/Transfer			-210905	7918894	0.64
12/10/2018	Increase/Transfer			245185	8164079	0.66
19/10/2018	Decrease/Transfer			-35872	8128207	0.65
26/10/2018	Increase/Transfer			343276	8471483	0.68
02/11/2018	Increase/Transfer			150257	8621740	0.69
09/11/2018	Increase/Transfer			92627	8714367	0.70
16/11/2018	Decrease/Transfer			-538	8713829	0.70
23/11/2018	Increase/Transfer			27846	8741675	0.70
30/11/2018	Increase/Transfer			322705	9064380	0.73
07/12/2018	Increase/Transfer			612403	9676783	0.78
14/12/2018	Increase/Transfer			601449	10278232	0.83
21/12/2018	Increase/Transfer			155679	10433911	0.84
28/12/2018	Decrease/Transfer			-51503	10382408	0.84
31/12/2018	Decrease/Transfer			-2157	10380251	0.83
04/01/2019	Decrease/Transfer			-485148	9895103	0.80
11/01/2019	Decrease/Transfer			-4714	9890389	0.80
18/01/2019	Increase/Transfer			2356	9892745	0.80
25/01/2019	Increase/Transfer			96196	9988941	0.80
01/02/2019	Decrease/Transfer			-6651	9982290	0.80
08/02/2019	Increase/Transfer			658345	10640635	0.86

11. SBI LIFE INSURANCE CO. LTD ^						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
15/02/2019	Decrease/Transfer			-1033379	9607256	0.77
22/02/2019	Decrease/Transfer			-60727	9546529	0.77
01/03/2019	Decrease/Transfer			-1364	9545165	0.77
08/03/2019	Increase/Transfer			26364	9571529	0.77
15/03/2019	Increase/Transfer			1364843	10936372	0.88
22/03/2019	Decrease/Transfer			-25595	10910777	0.88
29/03/2019	Decrease/Transfer			-408765	10502012	0.84
At the end of the year – 31.03.2019					10502012	0.84

^ Not in the list of Top 10 Shareholders as on 1st April, 2018. The same has been reflected above since the Shareholder appears in the list of Top 10 Shareholders as on 31st March, 2019.

12. SBI-ETF NIFTY 50 ^						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year – 01.04.2018		7311969	0.59			
06/04/2018	Decrease/Transfer			-17675	7294294	0.59
13/04/2018	Increase/Transfer			13806	7308100	0.59
20/04/2018	Increase/Transfer			55460	7363560	0.59
27/04/2018	Increase/Transfer			70918	7434478	0.60
04/05/2018	Increase/Transfer			51448	7485926	0.60
11/05/2018	Increase/Transfer			84842	7570768	0.61
18/05/2018	Increase/Transfer			60888	7631656	0.61
25/05/2018	Increase/Transfer			35282	7666938	0.62
01/06/2018	Increase/Transfer			50386	7717324	0.62
08/06/2018	Increase/Transfer			47790	7765114	0.62
15/06/2018	Increase/Transfer			42008	7807122	0.63
22/06/2018	Increase/Transfer			45548	7852670	0.63
29/06/2018	Increase/Transfer			22007	7874677	0.63
06/07/2018	Increase/Transfer			45902	7920579	0.64
13/07/2018	Increase/Transfer			51002	7971581	0.64
20/07/2018	Increase/Transfer			47088	8018669	0.65
27/07/2018	Increase/Transfer			43424	8062093	0.65
03/08/2018	Increase/Transfer			23364	8085457	0.65
10/08/2018	Increase/Transfer			28910	8114367	0.65
17/08/2018	Increase/Transfer			22184	8136551	0.65
24/08/2018	Increase/Transfer			58292	8194843	0.66
31/08/2018	Increase/Transfer			94518	8289361	0.67
07/09/2018	Increase/Transfer			86376	8375737	0.67
14/09/2018	Increase/Transfer			80004	8455741	0.68
21/09/2018	Increase/Transfer			64900	8520641	0.69
28/09/2018	Decrease/Transfer			-16943	8503698	0.68
05/10/2018	Increase/Transfer			44686	8548384	0.69
12/10/2018	Increase/Transfer			79443	8627827	0.69
19/10/2018	Increase/Transfer			31590	8659417	0.70
26/10/2018	Increase/Transfer			65052	8724469	0.70

12. SBI-ETF NIFTY 50 ^

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
02/11/2018	Increase/Transfer			87165	8811634	0.71
09/11/2018	Increase/Transfer			42120	8853754	0.71
16/11/2018	Increase/Transfer			69147	8922901	0.72
23/11/2018	Increase/Transfer			40482	8963383	0.72
30/11/2018	Increase/Transfer			33111	8996494	0.72
07/12/2018	Increase/Transfer			1989	8998483	0.72
14/12/2018	Increase/Transfer			13455	9011938	0.72
21/12/2018	Increase/Transfer			53469	9065407	0.73
28/12/2018	Increase/Transfer			36297	9101704	0.73
31/12/2018	Increase/Transfer			15210	9116914	0.73
04/01/2019	Increase/Transfer			98631	9215545	0.74
11/01/2019	Increase/Transfer			107406	9322951	0.75
18/01/2019	Increase/Transfer			86463	9409414	0.76
25/01/2019	Increase/Transfer			94770	9504184	0.76
01/02/2019	Increase/Transfer			101790	9605974	0.77
08/02/2019	Increase/Transfer			87048	9693022	0.78
15/02/2019	Increase/Transfer			54639	9747661	0.78
22/02/2019	Increase/Transfer			59436	9807097	0.79
01/03/2019	Increase/Transfer			124488	9931585	0.80
08/03/2019	Increase/Transfer			94536	10026121	0.81
15/03/2019	Increase/Transfer			111852	10137973	0.82
22/03/2019	Increase/Transfer			60021	10197994	0.82
29/03/2019	Increase/Transfer			41939	10239933	0.82
At the end of the year - 31.03.2019					10239933	0.82

^ Not in the list of Top 10 Shareholders as on 1st April, 2018. The same has been reflected above since the Shareholder appears in the list of Top 10 Shareholders as on 31st March, 2019.

13. GOVERNMENT PENSION FUND GLOBAL ^

	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
At the beginning of the year - 01.04.2018		7265807	0.58			
06/04/2018	Increase/Transfer			100121	7365928	0.59
27/04/2018	Increase/Transfer			342807	7708735	0.62
15/06/2018	Decrease/Transfer			-154318	7554417	0.61
29/06/2018	Decrease/Transfer			-335948	7218469	0.58
06/07/2018	Decrease/Transfer			-147940	7070529	0.57
13/07/2018	Decrease/Transfer			-5800	7064729	0.57
20/07/2018	Increase/Transfer			462845	7527574	0.61
27/07/2018	Increase/Transfer			285571	7813145	0.63
03/08/2018	Decrease/Transfer			-500133	7313012	0.59
10/08/2018	Decrease/Transfer			-559403	6753609	0.54
31/08/2018	Decrease/Transfer			-200000	6553609	0.53
07/09/2018	Decrease/Transfer			-171879	6381730	0.51
05/10/2018	Increase/Transfer			73280	6455010	0.52
12/10/2018	Increase/Transfer			501422	6956432	0.56

13. GOVERNMENT PENSION FUND GLOBAL [^]						
	Increase or Decrease/ Reasons	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase / Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
19/10/2018	Increase/Transfer			189314	7145746	0.57
07/12/2018	Decrease/Transfer			-121952	7023794	0.56
04/01/2019	Decrease/Transfer			-509228	6514566	0.52
11/01/2019	Increase/Transfer			261545	6776111	0.55
18/01/2019	Increase/Transfer			258306	7034417	0.57
25/01/2019	Decrease/Transfer			-679869	6354548	0.51
01/02/2019	Increase/Transfer			1839576	8194124	0.66
08/02/2019	Increase/Transfer			8596	8202720	0.66
15/02/2019	Increase/Transfer			221631	8424351	0.68
01/03/2019	Increase/Transfer			184121	8608472	0.69
08/03/2019	Increase/Transfer			635830	9244302	0.74
15/03/2019	Increase/Transfer			180904	9425206	0.76
29/03/2019	Increase/Transfer			76006	9501212	0.76
At the end of the year - 31.03.2019					9501212	0.76

[^] Not in the list of Top 10 Shareholders as on 1st April, 2018. The same has been reflected above since the Shareholder appears in the list of Top 10 Shareholders as on 31st March, 2019.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase/ Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
I	Directors					
1	Mr. Anand Gopal Mahindra (Executive Chairman, Key Managerial Personnel)					
	At the beginning of the year - 01.04.2018	1430008	0.12			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0		
	At the end of the year - 31.03.2019				1430008	0.12
2	Dr. Pawan Goenka (Managing Director, Key Managerial Personnel)					
	At the beginning of the year - 01.04.2018	47608	0.00			
	Decrease - 01.06.2018 - Market Sale			-1000	46608	0.00
	Decrease - 06.07.2018 - Market Sale			-2500	44108	0.00
	Decrease - 09.07.2018 - Market Sale			-2500	41608	0.00
	Increase - 26.03.2019 - Exercise of ESOPs			37580	79188	0.01
	At the end of the year - 31.03.2019				79188	0.01
3	Mr. Nadir B Godrej					
	At the beginning of the year - 01.04.2018	1134780	0.09			
	Increase - 05.06.2018 - Market Purchase			592	1135372	0.09
	Increase - 08.06.2018 - Market Purchase			500	1135872	0.09
	Increase - 21.06.2018 - Market Purchase			500	1136372	0.09
	Increase - 27.06.2018 - Market Purchase			1000	1137372	0.09
	Increase - 29.06.2018 - Market Purchase			500	1137872	0.09
	Increase - 02.07.2018 - Market Purchase			500	1138372	0.09
	Increase - 24.09.2018 - Market Purchase			1000	1139372	0.09
	Increase - 03.10.2018 - Market Purchase			1500	1140872	0.09

Sr. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase/ Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
	Increase - 04.12.2018 - Market Purchase			1000	1141872	0.09
	Increase - 05.12.2018 - Market Purchase			500	1142372	0.09
	Increase - 06.12.2018 - Market Purchase			500	1142872	0.09
	Increase - 02.01.2019 - Market Purchase			2500	1145372	0.09
	Increase - 09.01.2019 - Market Purchase			1000	1146372	0.09
	Increase - 13.02.2019 - Market Purchase			2000	1148372	0.09
	Increase - 15.02.2019 - Market Purchase			2000	1150372	0.09
	At the end of the year - 31.03.2019				1150372	0.09
4	Mr. M. M. Murugappan					
	At the beginning of the year - 01.04.2018	200000	0.02			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0		
	At the end of the year - 31.03.2019				200000	0.02
5	Mr. R. K. Kulkarni					
	At the beginning of the year - 01.04.2018	166176	0.01			
	Increase - 04.07.2018 - Off Market			1800		
	At the end of the year - 31.03.2019				167976	0.01
6	Mr Vikram Singh Mehta					
	At the beginning of the year - 01.04.2018	20000	0.00			
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):			0.00		
	At the end of the year - 31.03.2019				20000	0.00
7	Dr. Vishakha Desai					
	At the beginning of the year - 01.04.2018	0	0.00			
	Increase - 13.12.2018 - Exercise of ESOPs			5000		
	At the end of the year - 31.03.2019				5000	0.00

Note: Mr. Anupam Puri, Mr. S. B. Mainak, Mr. T. N. Manoharan and Mr. Vijay Kumar Sharma did not hold any shares of the Company during the Financial Year 2018-19.

Sr. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [As on 1 st April, 2018]		Increase/ Decrease in No. of shares	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company		No. of shares	% of total shares of the Company
II	Key Managerial Personnel					
1	Mr. V S Parthasarathy					
	At the beginning of the year - 01.04.2018	55060	0.00			
	Decrease - 06.07.2018 - Market Sale			-10000	45060	0.00
	Increase - 14.09.2018 - Exercise of ESOPs			11282	56342	0.00
	Increase - 26.03.2019 - Exercise of ESOPs			16922	73264	0.01
	At the end of the year - 31.03.2019				73264	0.01
2	Mr. Narayan Shankar					
	At the beginning of the year - 01.04.2018	8600	0.00			
	Increase - 11.07.2018 - Exercise of ESOPs			5640	14240	0.00
	Increase - 21.02.2019 - Exercise of ESOPs			4224	18464	0.00
	At the end of the year - 31.03.2019				18464	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

(Rs. in lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0.67	2,95,806.71	50.11	2,95,857.49
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,258.86	16.63	2,275.49
Total (i+ii+iii)	0.67	2,98,065.57	66.74	2,98,132.98
Change in Indebtedness during the financial year				
* Addition	-	1,14,090.25	-	1,14,090.25
* Reduction	-	1,52,934.91	38.84	1,52,973.75
Net Change	-	-38,844.66	-38.84	-38,883.50
Indebtedness at the end of the financial year				
i) Principal Amount	0.67	2,57,133.54	17.24	2,57,151.45
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	2,087.37	10.66	2,098.03
Total (i+ii+iii)	0.67	2,59,220.91	27.90	2,59,249.48

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Mr. Anand Mahindra (Executive Chairman)	Dr. Pawan Goenka (Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	364.49	387.70	752.19
	(b) Value of perquisite u/s 17(2) Income-tax Act, 1961	4.03	40.50	44.53
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option – Amount indicates perquisite value of ESOP exercised during the year	0.00	251.25	251.25
3	Sweat Equity	-	-	-
4	Commission – as % of profit	445.62	483.89	929.51
5	Others – please specify (Contributions to funds)	52.87	55.88	108.75
	Total (A)	867.01	1219.22	2086.23
	Ceiling as per the Act			61,558.69

(being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

B. Remuneration to other directors

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors								Total Amount			
		Mr. Nadir B. Godrej	Mr. M. M. Murugappan	Mr. R. K. Kulkarni*	Mr. Anupam Puri	Dr. Vishaka N. Desai	Mr. Vikram Singh Mehta	Mr. S. B. Mainak (Nominee of LIC)\$@	Mr. Vijay Kumar Sharma (Nominee of LIC)\$^		Mr. T. N. Manoharan		
1	Independent Directors												
	Fee for attending board/committee meetings	14.00	10.50	15.20	7.50	6.70	14.00	-	11.00	78.90			
	Commission	30.00	36.00	36.00	30.00	36.00	30.00	-	36.00	234.00			
	Others, please specify (Perquisite value of ESOP)	-	-	-	-	30.30	-	-	-	30.30			
	Total (1)	44.00	46.50	51.20	37.50	73.00	44.00	-	47.00	343.20			
2	Other Non-Executive Directors												
	Fee for attending board/committee meetings	-	-	-	-	-	-	-	-	3.00	3.00		
	Commission	-	-	-	-	-	-	2.96	-	10.21	13.17		
	Others, please specify (Perquisite value of ESOP)	-	-	-	-	-	-	-	-	-	-		
	Total (2)	-	-	-	-	-	-	2.96	-	13.21	16.17		
	Total (B)=(1+2)	44.00	46.50	51.20	37.50	73.00	44.00	2.96	47.00	359.37			
	Total Managerial Remuneration#	-	-	-	-	-	-	-	-	2,445.60			
	Overall Ceiling as per the Act									6,155.87			

(being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)

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

@ Ceased to be a Nominee Director representing Life Insurance Corporation of India with effect from 11th May, 2018^ Appointed as a Nominee Director representing Life Insurance Corporation of India with effect from 14th November, 2018^^ Sitting fees was paid to Life Insurance Corporation of India upto 31st December, 2018

\$ The commission is payable to Life Insurance Corporation of India

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

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. in lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	135.03	439.48	574.51
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.51	21.98	22.49
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2	Stock Option – Amount indicates perquisite value of ESOP exercised during the year	79.16	220.15	299.31
3	Sweat Equity	0.00	0.00	0.00
4	Commission – as % of profit others, specify	0.00	0.00	0.00
5	Others – please specify (Contributions to funds)	7.27	22.61	29.88
	Total	221.97	704.22	926.19

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
B. DIRECTORS					
C. OTHER OFFICERS IN DEFAULT					

N.A.

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 29th May, 2019

ANNEXURE IX

POLICIES

Your Company is committed to adhere to the highest possible standards of ethical, moral and legal business conduct. Considering this, your Company has, inter alia, in accordance with the requirements of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), SEBI (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations") formulated certain policies. The policies as mentioned below are available on the Company's website, at <http://www.mahindra.com/resources/FY19/AnnualReport.zip>. These policies are reviewed periodically and are updated as and when needed. During the year, the Company had revised and adopted some of its Policies in order to align the same with recent changes in Corporate Laws.

A brief description about the Key Policies adopted by the Company is as under:

Name of the Policy	Brief description	Summary of key changes made to the Policies during the year
Whistleblower Policy	The Vigil Mechanism as envisaged in the Act and Listing Regulations is implemented through the Whistle Blower Policy to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.	The Whistleblower Policy was amended in line with the amendments brought in through SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, enabling employees to report insider trading violations as well as reporting of instances of leak of unpublished price sensitive information.
Code of Conduct	The Board of your Company has laid down two separate Codes of Conduct, one for all the Board Members and the other for Employees of the Company. This Code is the central policy document, outlining the requirements that the employees working for and with the Company must comply with, regardless of their location.	There has been no change to the Codes.
Dividend Distribution Policy	The Dividend Distribution Policy as per Regulation 43A of the Listing Regulations, 2015 is attached as Annexure I to the Board's Report and forms part of this Annual Report.	There has been no change to this policy.
Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information	This Code has been formulated to ensure prompt, timely and adequate disclosure of Unpublished Price Sensitive Information ("UPSI") which inter alia includes policy for Determination of "Legitimate Purposes".	The policy was amended in line with the amendments made by the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 inter alia laying the procedure, policy for determining "legitimate purposes".
Policy for determination of Materiality of any Event/ Information	This policy requires the Company to make disclosure of events or information which are material to the Company as per the requirements of Regulation 30 of the Listing Regulations.	There has been no change to this policy.
Policy for determining Material Subsidiaries	The policy is used to identify material subsidiaries of the Company and to provide a governance framework for such material subsidiaries.	The policy has been changed in order to align it with the amendments made to the Listing Regulations based on the recommendations of the Uday Kotak Committee. The key changes inter alia include revision of thresholds for determining material subsidiaries.
Policy on Materiality of and Dealing with Related Party Transactions	The policy has been framed in order to regulate all the transactions between the Company and its related parties.	This policy was also amended to align it with the changes made in the Listing Regulations based on the recommendations of the Uday Kotak Committee and with the regulatory requirements mandated in the Act.

Name of the Policy	Brief description	Summary of key changes made to the Policies during the year
Policy on Appointment of Directors and Senior Management and succession planning for orderly succession to the Board and the Senior Management	This policy includes the criteria for determining qualifications, positive attributes and independence of a Director, identification of persons who are qualified to become Directors and who may be appointed in the Senior Management Team in accordance with the criteria laid down in the said Policy, succession planning for Directors and Senior Management, and policy statement for Talent Management framework of the Company.	During the year, changes were made in the policy to align the same with the amendments made to the Companies Act, 2013 and the SEBI Listing Regulations.
Policy for remuneration of the Directors, Key Managerial Personnel and other employees	This policy sets out the approach of the Company towards the Compensation of Directors, Key Managerial Personnel and other employees in the Company.	During the year, changes were made in the policy to align with the amendments made pursuant to the Companies Act, 2013 and the SEBI Listing Regulations.
Corporate Social Responsibility Policy	The Corporate Social Responsibility Policy is aimed inter alia at promoting a unified and strategic approach to CSR across the Company by incorporating under one "Rise for Good" umbrella the diverse range of its philanthropic giving, identifying select constituencies and causes to work with, thereby ensuring a high social impact.	During the year, the Annexure to this policy containing list of the CSR Projects (2018-19) was updated.
Archival Policy	As per the policy, the events or information which has been disclosed by the Company to the Stock Exchanges pursuant to Regulation 30 of the Listing Regulations shall be hosted on the website of the Company for a period of 5 years from the date of hosting.	There has been no change to this policy.
Business Responsibility Policy	The objective of this policy is to ensure a unified and common approach to the dimensions of Business Responsibility across M&M and Group companies, act as a strategic driver that will help all Group Companies respond to the complexities and challenges that keep emerging and be abreast with changes in regulations.	There has been no change to this policy.
Safety, Occupational Health and Environment Policy	The vision of the policy is to sustain zero incident, zero occupational health hazard and pollution free working environmental organization.	The change in the policy is on account of migration from OHSAS 18001 to ISO 45001 standards.
Policies on Sexual Harassment for Women and Male Employees	The policy on Sexual Harassment for Women is for redressal of complaints received regarding sexual harassment and compliance of other provisions as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company in its good governance have extended the same to male employees also.	There has been no change to this policy.

Particulars of loans/advances, etc. pursuant to Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Loans and advances in the nature of loans to subsidiaries:

Rupees in crores

Name of the Company	Balances as on 31 st March, 2019	Maximum outstanding during the year
Mahindra Agri Solutions Limited	50.00	50.00
Mahindra Rural Housing Finance Limited	50.00	50.00
Bristlecone Limited	00.00	54.50
Mahindra Overseas Investment Company (Mauritius) Limited	79.09	79.09
Mahindra EPC Irrigation Limited	00.00	10.00
NBS International Limited	00.00	10.00
Mahindra Retail Limited	00.00	70.00
Mahindra & Mahindra Financial Services Limited	400.00	700.00
Mahindra First Choice Services Limited	00.00	5.00

Loans and advances in nature of loans to Associates/Joint Venture:

Rupees in crores

Name of the Company	Balances as on 31 st March, 2019	Maximum outstanding during the year
Mahindra World City (Jaipur) Limited (Joint Venture)	0.00	50.00




**MANAGEMENT
DISCUSSION AND
ANALYSIS**



Management Discussion and Analysis

Mahindra & Mahindra Limited (M&M) or (Mahindra) is the flagship company of the Mahindra Group, which consists of diverse business interests across the globe and aggregate revenues of around US\$ 20.7 billion.

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



In the Financial Year 2018-19, your Company sold 607,548 vehicles (a growth of 10.8% in comparison to the previous year) and 330,436* tractors (a growth of 3.4% over the previous year).

*This includes 3,403 tractors sold under the Trakstar brand, which is the third brand of your Company under the subsidiary Gromax Agri Equipment Ltd.

The Automotive and Farm Sectors, along with their subsidiary, associate companies and joint ventures, achieved global sales of 1.1 million vehicles and tractors (755,978 vehicles and 345,415 tractors), a growth of 6.8% over the previous year. This is the second consecutive year of combined sales of vehicles and tractors crossing the million mark.

INDUSTRY STRUCTURE, OVERVIEW AND TRENDS

I Automotive Industry

In the Calendar Year (CY) 2018, worldwide sales of Passenger Cars and Light Commercial Vehicles (LCVs) remained flat at 86 million, with a marginal de-growth of 0.5%. This is the first de-growth since 2009. Passenger car and pick up sales were down 0.6% to 81.8 million. Small declines in Europe, United States, and a 2.8% decline in China had a significant impact on global car sales. Global LCV sales were up 2.5% to 4.2 million.

China, despite showing its first sales slowdown in more than a decade, remains the single largest market with 28.1 million sales. It still accounts for almost one of every three car sales in the world. North American car sales declined 0.2% to 20.9 million. Car sales in the Europe, Middle East, Africa (EMEA) region were down 1.1% to 22.7 million. Sales in Germany, the largest market in EMEA, were stable at 3.7 million. Automotive sales in Russia are picking up, after a prolonged slowdown and posted a consecutive second year of double-digit growth. Sales in the Asia Pacific region (excluding China, Japan and South Korea) were up 3.3% to 10.7 million, boosted by sales in Thailand, India and Indonesia. South America region is recovering from a slowdown with sales of 4.3 million cars, a 7% growth. Key markets of Brazil and Chile grew by 14% and 12% respectively.

The fastest growing segment worldwide was that of Electric Vehicles (EVs), which grew by more than 70% albeit over a low base, to over 1.2 million sales.

The momentum for EV growth is being driven by the global recognition of the need for clean mobility and many governments providing incentives to promote adoption. (Source: JATO Dynamics figures, based on their data of 54 top markets)

The Indian automotive industry comprises of several Indian-origin and multinational players with varying degrees of presence in different product segments. Over the years, multinational players have established deep rooted presence in India, from engineering centres to local sourcing and a wide spread channel. To remain competitive in a very value conscious market, Original Equipment Manufacturer (OEMs) are focusing on launching new products with attractive features and competitive price points. Going forward, Passenger Vehicles (PVs) OEMs are increasingly exploring strategic alliances to leverage synergy benefits.

Taking a review of the last 10 years growth performance, there appears to be some softening of domestic demand for PVs. Growth in PVs has slowed down from a CAGR of 10.1% in period F09 - F14, to 6.1% CAGR in the period F14 - F19. In addition to macro-economic factors which drive demand for automobiles, this softening of demand for PVs is also because of urban congestion and growth of shared mobility.

However, the growth in Commercial Vehicles (CVs) has held on to 9.7% CAGR in period F14-F19 as against 10.4% in the

period F09-F14, driven by sustained investment in infrastructure and road development. The LCV 2-3.5T which is the Pik-Up segment, has shown a healthy growth of 13.3% CAGR over last 10 years. This sustained growth is a result of increasing affordability in the agri, rural economy and availability of affordable finance.

Automotive exports from India was a good growth story, with many OEMs leveraging competitiveness of Indian manufacturing for exports from India. However, in the last five years, exports from India, especially for PVs, CVs and 2W has slowed down significantly. PV exports grew at just 2.6% CAGR in the period F14 - F19 as against 12.1% CAGR in the period F09 - F14. Similarly, growth for CV exports has dropped to 5.3% CAGR in the period F14 - F19 as against 12.6% CAGR in the period F09 - F14.

I Auto Industry in FY 2019



In Financial Year 2018-19, Indian auto industry sales (excluding two wheelers) crossed the five million mark with a volume of 5.09 million.

Passenger Vehicle (PV) sales stood at 3.4 million and Commercial Vehicle (CV) sales crossed the one million mark for the first time. Two Wheelers (2W) sales touched a record 21.2 million.

However, for the year FY19, the auto industry growth dropped to 5.2% as compared to 14.3% in FY18. Growth for all segments of the industry except commercial vehicles dropped to more than half of previous year (table below).

Segment	FY18	FY19
PV	7.9%	2.7%
CV	19.9%	17.6%
3W	24.2%	10.3%
2W	14.8%	4.9%
Total	14.3%	5.2%

The performance of the auto industry in the financial year

2018-19 needs to be reviewed in two parts, the first five months (April - August) where the industry had strong growth, and the next seven months (September - March) where there was a sudden drop in demand.

The table below summarises the growth patterns in the two periods for FY19.

Segment	F19 Industry Growth	
	Apr-Aug (5 mth)	Sep-Mar (7 mth)
PV	9.2%	-2.1%
LCV<3.5T GVW	37.0%	14.8%
M+ICV Goods	54.1%	15.4%
HCV Goods	66.5%	-9.8%
3W	44.3%	-5.1%
2W	11.5%	0.1%
Total	18.0%	-0.9%

Strong demand for the period April - August was a result of positive sentiment, especially in rural parts of the country, coming from good economic growth, an outlook of a normal monsoon, good rainfall in June & July, good MSP increases, availability of affordable finance and a low base from H1 F18.

Going further into the year, the marked slowdown in demand over the period September - March was principally a result of, muted demand from rural parts, due to poor spatial distribution of South West (SW) monsoon, a deficit North East (NE) Monsoon and weak agricultural incomes due to poor price realization; tight credit conditions arising from stress in NBFC sector, which has a significant share in wholesale and retail financing; lower Government capital spending; uncertainty over fuel prices and high base effect from H2 FY18.

In FY19, the PV segment growth dropped from 7.9% in FY18 to 2.7%. This is significantly lower than the five-year CAGR of 6.2% for the PV segment. The Utility Vehicle (UV) sub-segment had witnessed good growth of 12.4% CAGR over last 5 years. However, for FY19, this has dropped to just 2.1%.

During the year FY19, the industry implemented new safety norms for cars and utility vehicles. This includes, introduction of Anti-lock Braking System (ABS) and Pedestrian Protection (as per AIS 100) for new launches.

The CV industry posted a growth of 17.6% for FY19. This is the second consecutive year of good double-digit growth. The LCV Goods segment grew 20.8%.

The LCV < 3.5T GVW segment, which accounts for 56.3% of total CV goods industry, posted a record volume of 515,229 units. This is a growth of 22.4% over the previous year. The LCV<2T subsegment has witnessed good growth over past two years and has doubled the volume over FY17. The Pick-Up segment, which is LCV 2-3.5T GVW, grew 9.6% and posted record sales of 280,205 units.

The MHCV (Goods) industry posted a volume of 351,128 units, a growth of 15.3% over the previous year, which is inline with the five-year CAGR growth of 16.8%.

In July, 2018 (with an amendment in August, 2018), the Ministry of Road Transport and Highways, notified the increase in the axle loading norms for heavy commercial vehicles. This has resulted in surplus capacity of about 20-25% with transporters in the short term, leading to many either reducing or postponing their fleet purchase plans. This impacted the CV industry growth in H2 FY19.

The growth in the two-wheeler industry was 4.9% for FY19. While the motorcycle segment grew 7.8%, the scooters segment performance was flat due to softening of demand from urban centres.

The table below shows the size of various segments of the Indian auto industry for the period FY17-18 and FY18-19 and the growth rates, spanning Financial Year 2016-17 to Financial Year 2018-19.

Industry Segment	Domestic Sales		YoY Growth		
	F18	F19	F17	F18	F19
Cars	21,73,950	22,18,549	3.9%	3.3%	2.1%
Utility Vehicles	9,21,780	9,41,461	29.9%	21.0%	2.1%
Vans	1,92,235	2,17,426	2.4%	5.8%	13.1%
Passenger Vehicles	32,87,965	33,77,436	9.3%	7.9%	2.7%
MHCV	3,40,313	3,90,740	0.1%	12.5%	14.8%
MHCV Passenger	35,649	39,612	7.7%	-24.6%	11.1%
M+ICV Goods (7.5 to 16.2T)	92,232	1,17,051	0.9%	3.2%	26.9%
HCV Goods (>16.2T)	2,12,432	2,34,077	-2.4%	28.0%	10.2%
LCV	5,16,135	6,16,579	7.4%	25.4%	19.5%
LCV Passenger	49,002	52,170	3.7%	-3.4%	6.5%
LCV Goods < 2T GVW	1,65,479	2,35,024	0.3%	41.6%	42.0%
LCV Goods 2 to 3.5T GVW	2,55,599	2,80,205	13.2%	23.1%	9.6%
LCV Goods > 3.5T GVW	46,055	49,180	5.4%	27.0%	6.8%
Total CV	8,56,448	10,07,319	4.1%	19.9%	17.6%
3W Passenger	5,17,423	5,72,392	-8.8%	28.7%	10.6%
3W Goods	1,18,275	1,28,619	12.8%	7.8%	8.7%
3W	6,35,698	7,01,011	-4.9%	24.2%	10.3%
Scooters	67,19,909	67,01,469	11.4%	19.9%	-0.3%
Motorcycles	1,26,20,690	1,35,99,678	3.7%	13.8%	7.8%
Mopeds	8,59,518	8,80,243	23.0%	-3.5%	2.4%
2W	2,02,00,117	2,11,81,390	6.9%	14.8%	4.9%
Quadricycle	-	627	-	-	-
Total Domestic	2,49,80,228	2,62,67,783	6.8%	14.3%	5.2%
Domestic (Excl. 2W)	47,80,111	50,86,393	6.5%	11.9%	6.4%

I Tractor Industry

The domestic tractor market has a mix of Indian origin and international OEMs and is segmented by horsepower. Industry is typically classified under the following segments < 20HP, 20-30HP, 31- 40HP, 41-50HP and >50HP. Over 80% of tractor sales are in the 31 to 50HP segment. Over the past six years (F13 to F19), there has been good growth in the >50HP segment as well as the < 20HP segment. The growth in the > 50HP segment is driven by need for tractor versatility and evolution of farming practices especially in case of farmers with large land holdings. The growth in the <20HP segment is a result of increased affordability amongst farmers with small-medium land holding and the growing need for mechanisation. Further, there has been consistent growth in horticulture, leading to growing demand for tractors and specialised mechanisation solutions suitable for orchards, vineyards and other horticulture crops.



Demand for tractors is cyclical in nature, and historical data shows that tractor demand in India has grown 7-10% CAGR over every 10-year period, with some exceptions.

Consistent with this trend, the domestic tractor industry has grown 10% CAGR in the period F09 to F19. This growth is stemming from good growth in the agri as well as rural economy and the Governments focus on improving the state of agriculture in India.

Indian agriculture is characterised by low productivity and a high degree of manual work. At the same time, demand for farm labour is cyclic and there is shortage of farm labour in the peak season. In this scenario, the key to raising farm productivity is to increase the level of mechanisation and improve farming practices. This scenario, coupled with Governments focus on improving the state of agriculture, is creating multiple opportunities in the space of farm mechanisation, dissipation of agri know how and crop specific solutions. These opportunities are being leveraged by both existing industry players and start-ups.

I Tractor Industry in FY 2019



In Financial Year 2019, the Indian tractor market (the world's largest by volume), scaled a new peak with sales of 787,304 units.

This is a growth of 8% over the previous year and 54.8% over three years (508,701 units in F16).

The F19 growth of 8%, was a moderate growth as compared to the high growth in F17 and F18, where the industry grew by 17.7% and 21.7% respectively. The industry performance for FY19 needs to be reviewed in two parts, the first five months (April - August) where the industry had strong growth of 19.7%, and the next seven months (September - March) where the industry growth suddenly slowed down to 1.2%.

Strong demand for the period April - August was a result of positive sentiment, especially in rural parts of the country, coming from good economic growth, an outlook of a normal monsoon, good rainfall in June & July, good MSP increases, and availability of affordable finance. The period from September to March saw muted demand due to poor spatial distribution of SW monsoon, a deficit NE Monsoon and poor price realization.

For the year under review, Uttar Pradesh with a growth of 14.4% retained its No.1 position in tractor sales, while Madhya Pradesh with a growth of 15.7% jumped to No.2 position, from No.3 in FY18. Of the top 10 states that account for 80% of industry, key states of Maharashtra and Telangana which together account for 12.8% of the industry, posted degrowth. Maharashtra was worst affected with a 18.4% degrowth and slipped two positions from No. 2 in FY18 to No. 4 in FY19. Rajasthan which accounts for 8.3% of industry, remained flat.



The table below lists states by share of industry and growth for FY 19.

States	F19	
	% Industry	% Growth
Uttar Pradesh	17.5%	14.4%
Madhya Pradesh	11.0%	15.7%
Rajasthan	8.3%	0.3%
Maharashtra	8.1%	-18.4%
Bihar	7.4%	31.2%
Gujarat	7.1%	7.5%
Andhra Pradesh	5.5%	21.4%
Karnataka	5.3%	10.5%
Haryana	5.2%	9.5%
Telangana	4.8%	-11.1%
Tamil Nadu	3.5%	-2.4%
Punjab	3.4%	1.8%
West Bengal	3.4%	20.9%
Chattisgarh	2.9%	12.3%
Odisha	2.7%	1.1%
Assam	2.1%	99.6%
Jharkhand	1.9%	-1.7%

Segmenting the industry by HP, good growth was seen in the medium and higher HP segments. The 41 to 50HP segment, which accounts for almost 50% of the industry, grew 9.2%. Collectively, the industry in 31 to 50HP bracket, which accounts for more than 80% of the industry, also grew 9.2%. Some slowdown is observed in smaller HP segment of <20 HP in the tractor industry.

The table below summarises the market size and growth, across various HP segments of the tractor industry.

HP Segment	Industry	
	% Share	% Growth
Total	100%	8%
<20	3.7%	-3.3%
20-30	5.8%	0.9%
31-40	35.7%	9.2%
41-50	47.2%	9.2%
>50	7.6%	7.3%

YOUR COMPANY'S PERFORMANCE

I Automotive Sector

During the year under review, your Company continued to be the



3rd largest Passenger Vehicle Company, the 2nd largest Commercial Vehicle Company and the Largest Small Commercial Vehicle Company in India. Your Company's share of the total Indian Auto Industry stood at 11.2%.

FOR THE YEAR UNDER REVIEW, YOUR COMPANY ACHIEVED OVERALL VOLUMES OF



569,092 vehicles in the domestic market

A GROWTH OF 9.4% OVER THE PREVIOUS YEAR

This is highest ever domestic sales achieved by your Company, beating the previous highest of 530,915 achieved in FY13



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

Segment	Industry		M&M		M&M Mkt. Share	
	F19	Growth	F19	Growth	F19	F18
Utility Vehicles	9,41,461	2.1%	2,35,362	0.6%	25.0%	25.4%
Cars	22,18,549	2.0%	1,538	112.1%	0.1%	0.0%
Vans	2,17,426	13.1%	17,451	22.7%	8.0%	7.4%
Passenger Vehicles Total	33,77,436	2.7%	2,54,351	2.2%	7.5%	7.6%
LCV Goods < 2T GVW	2,35,024	42.0%	53,149	28.7%	22.6%	25.0%
LCV Goods 2 to 3.5T GVW	2,80,205	9.6%	1,76,203	11.3%	62.9%	61.9%
LCV Goods < 3.5T	5,15,229	22.4%	2,29,352	14.9%	44.5%	47.4%
LCV Goods > 3.5T GVW	49,180	6.8%	4,433	17.1%	9.0%	8.2%
LCV Goods Total	5,64,409	20.8%	2,33,785	15.0%	41.4%	43.5%
M+ICV Goods (7.5 to 16.2T)	1,17,051	26.9%	176	-	0.2%	-
HCV Goods (>16.2T)	2,34,077	10.2%	10,838	14.3%	4.6%	4.5%
MHCV Goods	3,51,128	15.3%	11,014	16.1%	3.1%	3.1%
LCV Passenger	52,170	6.5%	3,802	-3.9%	7.3%	8.1%
MHCV Passenger	39,612	9.7%	-	-	-	-
CV Passenger	91,782	7.8%	3,802	-3.9%	4.1%	4.6%
CV Total	10,07,319	17.6%	2,48,601	14.7%	24.7%	25.3%
3W	7,01,011	10.3%	66,140	21.1%	9.4%	8.6%
AS (Dom) Total	50,85,766	6.4%	5,69,092	9.4%	11.2%	10.9%

For the Financial Year 19, your Company's market share in the UV segment stands at 25%.

The UV segment in India, has seen intense competition over the past five years, with all OEMs launching products in the UV space at attractive price points. At the same time, there has been an increased customer preference for compact four-seater car like UVs. This scenario in the UV segment has resulted in declining market share for your Company.

Your Company has taken appropriate steps towards strengthening the UV portfolio, through working on new product platforms and launching new models.

In FY19, your Company launched three next generation products in the UV segment; the Marazzo, Alturas G4 and XUV300. These three new products represent a bold new direction for your Company's automotive products, one that offers customers unmatched quality and a truly refined user experience.

In September 2018, your Company launched the Marazzo, with shark-inspired head-turning design. Born of an engineering collaboration between Mahindra Automotive North America (MANA), Detroit and Mahindra Research Valley (MRV) Chennai, the Marazzo has been engineered for excellence to ensure smooth ride, agile handling, quietest cabin, fastest cooling and luxurious space.



In November 2018, your Company launched the Alturas G4, a luxury SUV to redefine the high-end SUV segment. From its imposing exteriors to its premium interiors, every detail in the Alturas G4 has been finely crafted. With advanced high-tech features and unmatched safety equipment, the Alturas G4 is set to create a new benchmark in the high-end SUV segment.



In February 2019, your Company launched the stylish and thrilling XUV300. The XUV300's head-turning, cheetah-inspired design, 'fun-to-drive' performance, best-in-segment safety features, first-in-segment hi-tech features and class-defining interiors, make it an exciting & comprehensive package. The XUV300 is available in both petrol and diesel engine options. Based on the X100 platform of SsangYong, the XUV300 is a true-blue global product which combines Korean technology with Indian innovation and finesse. In April, the XUV300 became the second-highest selling sub-4 metre SUV brand in India.



The Iconic Scorpio, Stylish XUV500 and Rugged Bolero continue to be strong brands for your Company in the UV segment and continue to be at the core of your Company's UV portfolio.

In the market segment LCV goods < 3.5T, which accounts for almost 56.3% of total CV-goods industry, your Company has retained the No.1 position. Your Company's market share in this segment stands at 44.5%.

In the LCV<2T segment, the Jeeto and the Supro minitruck helped your Company achieve a volume of 53,149 which is a growth of 28.7% over the previous year.

In the Pik-UP sub-segment (LCV goods 2 to 3.5T), your Company sold a record 176,203 vehicles, a growth of 11.3% over the previous year.



Your Company's market share in the Pik-UP segment stands at 62.9%. Your Company has been the leader in the Pik-UP segment for over 20 years, and it has always been the endeavour to enhance the Customer Value Proposition. In October, 2018, your Company launched India's first Pik-UP with 1,700 kg Payload Capacity. The new Maha Strong, Maha Bolero Pik-UP, is an upgrade of the popular Bolero Pik-UP range and is designed keeping in mind the inherent need for greater earnings.

In the LCV > 3.5T segment, your Company sold a total of 8,235 trucks and buses which is a growth of 6.3% over the previous year.

In the MHCV segment, your Company sold a total of 10,838 trucks, which is a growth of 14.3% over the previous year,

as against industry growth of 10.2%. The growth is a result of good product performance, improved service reach and spares availability. Your Company's market share in the HCV segment stands at 4.6%.

In November 2018, your Company launched the BLAZO X, HCV range of trucks, an upgrade of its popular BLAZO trucks. The BLAZO X addresses the rising fuel cost woes of transporters by delivering higher mileage than the BLAZO and ensuring an unique and unmatched mileage guarantee of 'get more mileage or return the truck'.



In January 2019, your Company launched the FURIO range of Intermediate Commercial Vehicles (ICVs) with an unprecedented guarantee of 'More Profit or Truck Back'. FURIO marks your Company's entry into the ICV segment and is set to make your Company a full range commercial vehicle player.

Customer satisfaction has always been a priority for your Company and over the past few years, the Company worked tirelessly to improve customer satisfaction at the dealerships as well as the product level.



Because of these efforts, for the year 2018, your Company was ranked #1 in J.D. Power India Sales Satisfaction Index (Mass Market) StudySM.

In the J.D. Power India Customer Service Index (Mass Market) StudySM, your Company is ranked #3.

I Overseas Operations - Automotive Sector

The Automotive Sector of your Company exported a total of 38,456 vehicles during FY19, a growth of 36.3% over the previous year. This is the highest ever export performance by your Company.

This record performance is driven by good growth in neighbouring markets in addition to key markets like South Africa, Tunisia, Chile and Italy.

Your Company continues its efforts to grow on-ground presence and strengthen brand in key international markets.

I Farm Equipment Sector

FOR THE PERIOD UNDER REVIEW,
YOUR COMPANY SOLD

330,436

TRACTORS

against 319,623 tractors sold in the previous year, registering a growth of

3.4%

Mahindra
TRACTOR

SWARAJ

TRAKSTAR

This is the highest ever volume for your Company. (Note: Trakstar, is the third tractor brand of your Company, under the subsidiary Gromax Agri Equipment Limited).

In the domestic market, your Company sold a total of 316,742 tractors which is a growth of 4.2% over the previous year. This volume growth for your Company was supported by all three brands of your Company, viz. Mahindra, Swaraj and Trakstar. Trakstar, launched in FY17 is expanding presence across various states in India.



Your Company maintained the leadership position in the domestic tractor market for the 36th consecutive year, with a market share of 40.2%.

India is the World's largest tractor market by volume and the tractor and farm mechanisation industry in India is very competitive, with presence of homegrown players, multinationals and regional players. Given this situation and opportunities for the future, your Company is taking various steps to strengthen its competitive advantage. This include, strengthening the 'technology leader' image and solution selling.

The tractor trio of Mahindra NOVO, YUVO & JIVO, which deliver best in class productivity and category first features, are helping your Company to strengthen the 'technology leader' image. To strengthen the portfolio in the > 50HP segment, your Company launched two new offerings - Mahindra NOVO 65 & 75HP tractors. Your Company also offers matched implements with crop specific mechanization solutions, to grow solution selling. Your Company's slogan of 'Technology Se Tarakki' has been well received by the farmer community.

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

For the year under review, your Company saw good growth in sales of farm machinery, owing to significant increase in volumes of cultivators, harvesters and rice transplanters.



Export from India

For the year under review, your Company exported 13,555 tractors (including 204 CKD) as compared to 15,449 tractors (including 298 CKD) in the previous year. There were one-time trade stock corrections in some of the key export markets. Keeping the future growth opportunities in mind, your Company will continue to strengthen the product portfolio and build brand in overseas markets. Your Company is also strengthening on-ground presence through building CKD facilities and local offices.



ALLIED BUSINESSES

Mahindra Powerol

Under the Powerol brand, your Company has been a leader in providing power back-up solutions to the telecom industry for past 12 years. To cater to changing customer needs, your Company is expanding its presence in tele infra management and in the energy management solutions space. In the genset business, your Company offers a wide range of solutions right from lower kVA range to mid to higher kVA range.

In the retail genset business (upto 200 kVA), your Company is the No.2 brand by volume.



In the year under review, your Company became first player in India to launch Gas Powered Gensets. In addition to lowering emission, these gensets offer a significantly lower operating cost.

With a focus on green energy solutions, your Company offers green gensets, powered with Lithium ion batteries for telecom towers and bank ATMs. Also, through its subsidiary, Mahindra Waste to Energy Solutions Limited (MWESL) offers waste to energy solutions through bio-gas plants.

Construction Equipment

For the year under review, your Company (under the Mahindra EarthMaster brand) sold 1,286 Backhoe Loaders (BHLs) against 1,229 in FY2018, which is a growth of 4.6%. With an uptick in infrastructure spending, the BHL market in India grew 24.5% over the previous year. Your Company continues to be at No. 4 position in the BHL industry.

Your Company also has presence in the fast-growing road construction equipment business and have sold 319 motor graders last year as compared to 164 in FY18.

RoadMaster G75 is the only Indigenously developed product in the motor grader space and is developed keeping in mind the needs of road contractor fraternity of maximizing the efficiency of operations.

I Two-Wheeler Business

For the Financial Year 2018-19, your Company sold 10,496 two-wheelers (including 6,480 export). The business is in the process of realigning its strategy.

Your Company through its subsidiary Classic Legends Private Limited re-introduced an iconic brand "JAWA" to Indian market with the successful launch of Jawa Motorcycles in November, 2018. All new range of JAWA motorcycles - Jawa & Jawa Forty Two were launched during the year.



The Jawa has been one of the most sought-after motorcycles in India from the 70s through the 90s. And with success of JAWA your Company plans to build the brand in the premium niche two-wheeler segment.

OPPORTUNITIES AND THREATS

I Automotive Sector

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

Going forward, India is expected to be amongst the fastest growing auto markets, on back of healthy economic outlook, finance penetration, urbanisation, investment in roads, infrastructure and new launches by OEMs.

Growing concerns over air quality, road safety, sustainability and urban congestion, among consumers and society at large, are driving the regulations and policies for motor vehicles and urban development. These will impact choice of fuel, ownership patterns and will have a significant impact on the future of the automotive industry.

The Indian Auto industry is set to migrate to BS VI emission norms from 1 April, 2020. Also, as per the ruling of the Hon. Supreme Court, the 1 April, 2020 timeline is applicable to selling of BS VI vehicles and not limited to just manufacturing. The industry is gearing up to meet the challenges involved.

On the safety front, the migration to new safety norms under Bharat New Vehicle Safety Assessment program (BNVSAP) is underway. The new norms are already implemented in FY19 for new vehicles and will be applicable to existing vehicles from April, 2020.



With an objective of improving air quality and reducing the fuel import bill, the Government is actively pursuing the plan for electrification of the vehicle fleet and has announced the FAME II (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) policy. The industry is gearing up for meeting this challenge on the technology and product fronts.

Increasing need for advanced technologies in the vehicles, competitive intensity and ever spiraling customer expectations - calls for increased R&D, closer working with suppliers, shorter product life cycles and rigorous monitoring of costs.

I Farm Equipment Sector

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

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

India being the world's largest tractor market with a growing rural economy, presents a good opportunity for players in farm mechanization space. Hence going forward, the competitive intensity in the farm mechanization space is expected to increase, leading to new product launches and product offerings at high value points. Also, the customer expectations of performance, quality and technology are increasing with time. Staying ahead of competition by offering products with modern technology and features is likely to put pressure on costs.

I Allied businesses

The rising demand for power backup solutions and infrastructure development will create opportunities in the power generation and infrastructure equipment space. This is an opportunity for the Company to grow its offerings in power solutions and construction equipment.

RISKS AND CONCERNS

I Automotive and Farm Equipment Sectors

The Company's business is exposed to many internal and external risks and it has consequently put in place robust systems and processes, along with appropriate review mechanisms to actively monitor, manage and mitigate these risks.

I Competitive Intensity

Keeping in mind the high growth potential of the Indian automotive market, all OEMs, homegrown as well as MNCs, have presence across all vehicle segments. Today, multinational OEMs are now deeply entrenched in the Indian market with local development centres, a strong local supplier base and good channel penetration.

In the PV segment the differentiation between cars and UV has largely blurred. There is great demand for compact UVs


with car like features. As of now, 43.4% of UV sales are from UVs less than 4m length, while UVs as a share of PVs stand at 27.9% (was 14.5% in 2009). The competitive intensity in the segment will only increase with new launches and more OEMs participating in the UV segment.

OEMs, mainly in the PV space, are entering strategic alliances to leverage synergy benefits. These alliances are aimed at improving the product portfolio and cost efficiencies. Thus, giving the OEMs access to broader customer base and increased headroom for pricing.

The LCV < 3.5T commercial vehicle segment is 56.3% of the CV Goods industry, where your Company is the market leader. However, there is increased competition with new and competitive launches from homegrown as well as MNC brands.

The medium and heavy commercial vehicle segment has two dominant domestic players who have 84.6% market share. Rest of the brands have seen limited success, owing to strong on ground presence of current market leaders and deep-rooted brand bonding.

With aim to remain competitive in the market and sustain leadership, your Company continues to invest in new product development, technology upgrades, increasing channel reach, and the focus on delivering customer centric products, services and build brand.



Your Company has successfully leveraged synergies with Ssangyong Motor Co., Korea by sharing of product platforms.

The recently launched Alturas G4 and XUV300 are based on Ssangyong platforms. Also, your Company is exploring opportunities for strategic cooperation with Ford Motor Company, to drive profitable growth in India and other emerging markets.

India is the world's largest tractor market by volume and the Tractor industry has presence of strong home grown as well as MNC OEMs. There is intense competition in the market with each OEM trying to offer its unique value proposition to the customer. Your Company intends to remain ahead of the competition by offering continuous product upgrades, introducing superior technology and by offering a complete range of farming solutions to boost farm productivity.

I Tax Regulations

India, has traditionally seen tax rate differential between small and large passenger vehicles. This differential is based on length of vehicle, engine size and fuel type. The differential tax rates are a deterrent to the customer for buying large and luxury vehicles. This differential in tax rates gets carried forward under the GST regime implemented in July 2017.

While the flagship products of your Company attract higher tax rates, your Company has strengthened the UV product portfolio attracting lower tax rates, with the launch of XUV300, TUV300 and KUV100.

I Choice of Fuel and new emission norms

The customer's choice of fuel type has been traditionally governed by the operating economics, which is a function of price differential between petrol - diesel fuels and the acquisition cost. Further there has been a negative perception over cleanliness of diesel as a fuel. Since deregulation of fuel prices in October 2014, the gap between petrol and diesel prices has narrowed significantly. This narrowing price gap, in combination with higher taxes on certain categories of diesel vehicles, have led to decrease in demand for diesel fuelled passenger vehicles, especially cars.

The share of diesel vehicle sales in passenger cars has dropped from 47% in the FY13 to 19% in the FY19. However, for Utility Vehicles, the demand for diesel vehicles continue to be strong with diesel powered UVs accounting for 83% of volume in FY19.

From 1st April 2020, India will switch over to BSVI emission norms. With this, the concern over cleanliness of diesel emission will go away, but there is a cost differential involved in meeting BSVI emission for Petrol and Diesel vehicles, with Diesel being higher. This differential is likely to put pricing pressure on the diesel fuelled vehicles with BSVI implementation.

Your Company is actively pursuing a strategy to develop and introduce Petrol engines across the product range. Further, there are aggressive time and cost targets for meeting BSVI emission for diesel engines.



Progress on the development of Petrol powertrains as well as development of BSVI emission technologies within the time and cost targets is satisfactory.

For tractors, likely introduction of new emission norms (TREM IV), will call for additional investments by OEMs and increase in material cost for the tractor. This increase in cost will need to be passed on to the customer. Your Company will do its best by exploring innovative means to keep the costs under control.

I New Regulation for Safety

Concerns over road safety are driving legislation and regulatory reforms. The new safety regulations are being rolled out under the name of Bharat New Vehicle Safety Assessment program (BNVSAP). These have been implemented in FY2019 for new vehicles and from FY2020 for existing vehicles.

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

For tractors, introduction of Roll Over Protection System (ROPS), will require investment in technology and increase the material cost, thus putting pressure on the overall cost structure.

I New Products

To remain competitive in the market, for exceeding customer expectations and to meet requirements of legislation, your Company has an aggressive programme for development of new products and technologies. The success of new product launches will have an important bearing on its future growth and profitability of the Company.

Environment and Alternate fuels

With concerns over air quality and the need to reduce dependence on fossil fuels, the Government is actively pursuing large scale adoption of EVs, especially for intracity uses in fleet application.

Your Company is a pioneer for Electric Vehicles in India, and is actively pursuing development of the Electric Vehicle (EV) market, products and technology. However, considering the potential market opportunity, all leading OEMs and some new players, are actively pursuing development of EV technologies and products, across vehicle categories. The competition in the EV space is expected to be intense.

Today, your Company offers a wide range of EVs, which include two car models - the eVerito and the e2o+, the Supro EV cargo/passenger vans and two models of e3W - the e-Alfa 3W and the Treo. Keeping in mind the needs of the future, your Company is developing the EV versions of the KUV100 and the XUV300.



Further, your Company, through its subsidiary Mahindra Electric Mobility Limited (MEML), is investing in development of next generation EV technologies, which include 380 V powertrain, high efficiency drive train motors and local manufacturing of batteries.

In parallel, your Company is closely working with the Government, both at the Centre and at the State level and other participants of the mobility ecosystem to create an EV ecosystem in India.

Monsoon

A normal monsoon is important for both agriculture as well as the rural economy and sentiment at large. The tractor business in particular and the automotive business to some degree, run the risk of a drop in demand, in case of a significant variation in the monsoon. In addition, an untimely monsoon and uneven spread has the potential of adversely impacting the business as observed in the Financial Year 2015 and Financial Year 2016.

Commodity Prices

The Financial Year 2018-19 saw a sharp increase in commodity prices. Steel products such as castings, forgings and sheet metal saw an unprecedented increase in prices. In Financial Year 2020, commodity price increases are expected to be benign. Your Company continues to work on mitigating the inflationary impacts through cost re-engineering and value engineering activities.

Capacity



Your Company has built adequate manufacturing capacity for the immediate future and is planning to invest in additional capacity in preparation for the mid to long term. Specifically, on the front of electric vehicles, your Company is investing over Rs. 500 crores in its Electric Vehicle (EV) Project under the new EV Policy of the Government of Maharashtra. This investment will be utilized towards product development and capacity enhancement for electric vehicles and related components.

On the supplier end, the Company is working closely with its key suppliers to minimise any supply constraints through capacity planning and longer-term contracts. At the same time, opportunities for global sourcing are also being actively pursued.

OUTLOOK - AUTOMOTIVE & FARM SECTORS

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

I Automotive Business

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

For the Financial Year 2020, SIAM's outlook for the Indian auto industry is as follows:

The PV industry is expected to grow between 3-5%, CV industry between 10-12%, a 7-9% growth in the 3W segment and the 2W industry is expected to grow at 5-7%.

Since the announcement of the SIAM forecast, lot of positive things have happened including a strong mandate for the new Government, and the Company expects the industry growth to be marginally better than the SIAM outlook.

Other factors which will impact demand for automobiles in FY20 are:

- (i) Policies by the new Government to drive consumption
- (ii) Availability & affordability of finance
- (iii) Monsoon and
- (iv) Likely pre-buying before transition to BSVI.



On the export front, recent product launches, complimented by increased on ground presence and brand building efforts will help push growth for your Company.


I Tractor and Farm Equipment Business

The tractor industry has seen three years of good growth and has touched a new peak of 787,304 units in FY 19.

This is a growth of 54.8% over three years (508,701 units in FY16). This growth was driven by a positive agri & rural sentiment and two years of good monsoon in FY17-FY18, followed by an average monsoon in FY19.

For FY20, assuming a normal or just below normal monsoon, with a reasonably uniform spread in geography and time, the tractor industry is expected to grow at about 5%.

On the international front for the tractor business, your Company will focus on strengthening its presence in existing markets of USA, South & Central America, Africa and neighbouring markets, while exploring to expand to newer geographies.



Your Company will continue its efforts to grow and draw synergies from the recent alliances and acquisitions of Mahindra Mitsubishi Agriculture Machinery, SAMPO, Hisarlar and Erkunt.

STRATEGY

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

In the past, success was about getting the right product at the right cost through an efficient channel. Going into the future, the product, the cost and the channel will be essential, but not sufficient. Much more will be needed to win at the marketplace. The winning mantras are going to

be around providing a solution, delivering an experience and having a purpose. Customers are also increasingly assigning value to a company that has a purpose.

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

I Automotive Sector

With an objective to sustain growth, your Company is pursuing several strategic initiatives in all key areas of business. The key elements of strategy include strengthening the product portfolio, refresh and update existing products and strengthen research & development (R&D) and technology capabilities.

Technology focus areas are around gasoline engines, emission, safety, connected vehicles and electric vehicles. In addition, your Company is pursuing expansion in overseas markets. Establishing on ground presence and building the brand in key focus markets remain the priorities for your Company.



In September 2017, your Company and Ford Motor Company agreed to explore a strategic alliance - designed to leverage the benefits of Ford's global reach and expertise and Mahindra's scale in India and successful operating model.

For the year under review, the two companies strengthened the strategic alliance, by signing two agreements; one in October, 2018 for powertrain sharing and connected car solutions, and the second agreement in April, 2019 for co-developing a mid-size SUV on Mahindra platform.

With the Governments thrust on rapid adoption of EVs, your Company being the Pioneer in EVs in India, continues to focus and invest in development of new products and advanced technologies specific to electric vehicles.

I Farm Equipment Sector

With an objective of improving the state of farming, especially for small land holding farmers, your Company is focused on democratizing technology. This includes


tractors, crop specific mechanization solutions, providing agri knowhow and precision farming solutions.

Your Company continues to invest in modern tractor technologies and offer tractors with category first features and create new benchmarks in India.



End to End Farm Mechanization is an important focus area, and your Company is pursuing inhouse development as well as leveraging alliances in this space.

Some notable alliances are with M.I.T.R.A Agro Equipments Private Limited for horticulture sprayers and with Belgium based DeWulf group for potato planting technology. Pilots for some precision farming technologies are underway.



Globalisation is an important goal for your Company, and towards this, your Company is pursuing both organic and inorganic routes.

Mahindra USA, a subsidiary of your Company, continues to expand its reach and strengthen the Mahindra brand in the North American market, by connecting with the consumer through various mediums.

Mahindra Mexico S.De.R.L, a fully owned subsidiary of Mahindra USA and Mahindra do Brazil Industrial Ltd (MBIL), your Company's tractor CKD facility in Brazil, continues to strengthen on ground presence, and grow Mahindra brand in Mexico and Brazil.

With the objective of being a global farm machinery player, your Company has done strategic acquisitions in this space and has built a farm machinery portfolio for global markets.





Acquired in FY2016, Mitsubishi Agriculture Machinery-Japan, now, Mahindra Mitsubishi Agriculture Machinery (MMAM), is the centre of excellence for rice value chain. Sampo Rosenlew (Finland), acquired in FY2016 is helping address the global combine harvester business.

Turkey is the 4th largest tractor market in the world by volume. To strengthen the presence in this strategic market, your Company acquired Hisarlar in FY2017 and then Erkunt Traktor Sanayii A.S. (Erkunt) in FY2018.

Your Company plans to leverage its global acquisitions and partnerships to get modern farm mechanization technologies into India.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND EMPLOYEE RELATIONS

The strategic purpose of Human Resources is to be a catalyst for creating the Human Capital transformation required to ensure sustained business outperformance, while simultaneously addressing the needs of its multiple stakeholders (beginning with customers and employees) and strengthening the core values of the Group. In the long run, the ultimate metric for success is continuous improvement in the total factor productivity, while addressing the business imperatives of cash, cost, competence and confidence.

The emphasis has been on aligning all the HR levers towards achieving these goals. In line with the above, the Group's Human Resources Philosophy is guided by the three Rise Pillars of Accepting No Limits, Alternative Thinking and Driving Positive Change, and the Group's aspiration of

being among the top 50 most admired global brands by 2021, by enabling people everywhere to Rise.

In this overall architecture, a key strategic initiative that needs mentioning is integrating Employer Branding and Employee Experience initiatives with the Employee Value Proposition so as to create a uniform One Mahindra experience for all employees.



Talent Management, Leadership Development and Performance Management Systems

Focus continued on the Talent Management, Leadership Development processes and Performance Management System, which included Development Centres, Individual Development Planning, e-learning, up-skilling programs, Leadership Lifecycle programs and Action-Learning Projects.



The Tech Ladder implementation in Mahindra has been a response to one of the biggest challenges the Company has been facing in Talent Management.

Over years, the Company has lived with the dilemma of how to build a healthy pipeline of talent in specialist areas especially of Product Development and manage careers of people in these areas. In the past, several attempts had also been made to implement some ideas in this regard, but without success. The HR Team spent a good amount of time with the key stakeholders including the top Management

to detail out the objectives, gaps in the current system, benchmarking of Global organizations, especially in technology space before actually starting to design and implement the solution. The critical success factor was the ability of the Team to engage with and involve over 700 people at the Mahindra Research Valley and the leadership Team, to come out with an architecture, which is relevant and highly doable. The Team has also taken it to its logical execution. What the Company has today as Tech Ladder, could well be redefining the capability building and talent management of technical functions as a first of its kind in the industry.

I The Mahindra Leadership University



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



MLU seeks to make Mahindra a continuous learning organization and to leverage the power of technology to create stimulating learning environments.

MLU is a learning and development initiative at Mahindra that caters exclusively to its employees and partners and is not an accredited educational institution or university.

MLU converges upon building both leadership and domain capabilities through its various academies, with each academy being headed by a Chairperson and supported by business leaders and functional leaders from across the Group as academy members. MLU academies collaboratively work with Sectors in the Group to create and

implement a futuristic learning agenda. All academies consult business leaders in the Group to identify and prioritize group-wide capability development needs, and aggregate, curate and create knowledge, develop the desired capabilities and thereby works towards fostering a culture of continuous learning, unlearning and relearning.

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



MLU has conducted a total of 115 offerings (including 32 unique offerings) at the Group Level, in Financial Year 2019.

I Reflective Conversations

The journey of Reflective Conversations ("RC") continues with the aim to make Mahindra a Reflective Organization, thereby enabling the Company to grow towards the Group's aspiration. The RC journey began with members of the Group Executive Board (GEB) in July 2013, has been cascaded across the Group and till date 2,000 employees across multiple businesses and locations have been covered. The 100th Reflective Conversations workshop was conducted in April, 2018. To ensure cultural transformation and sustenance, the ecosystem for the practice of Reflective Conversations is being strengthened with more focus on building a pool of internal RC trainers, role-modelling by leaders, and a coaching certification program titled 'Mahindra Certified Reflective Conversationalist' ("MCRC"). The MCRC program has been certified by the International Coach Federation ("ICF"). High potential executives have benefited from executive coaching extended to them by MCRC participants.

I Group Diversity Council

The Group continues its strong focus on fostering Diversity and Inclusion at the workplace. Gender remains a strong focus area along with other Diversity constituencies and various programs/ initiatives were undertaken to promote the same. Mahindra World of Women ("MWoW"), is a

platform for peer learning and networking to derive inspiration from role models internally and externally. Two cohorts of Women Leaders Program have been completed on a blended learning approach and have undergone classroom sessions, coaching and team-based leadership projects under the aegis of Mahindra Leadership University, Academy of Leadership Development and Group Diversity Council. The objective of the program is to develop Women Leaders for the Mahindra Group.



I Group Management Cadre

The Group Management Cadre ("GMC") Program is the Group's prestigious strategic leadership development program for campus recruits sourced from top B-schools of India. This program continues to strengthen Mahindra's position as an 'Employer of Choice' across premier B-School campuses and create a strong talent pool to drive Mahindra's future growth. Through this program, 27 GMCs joined the Group in 2018 across its various Sectors and functions.

I The Mahindra War Room

The Mahindra War Room, which is a pioneer in its field, continues to retain its position as the largest and the most-liked Employer Branding Events in the top B-schools of India. The 11th Edition of the event was rolled out between July and November, 2018, whereby Mahindra reached out to the brightest young minds across the top B-Schools of India, and four other International colleges, including Yonsei

University - South Korea; Fudan University - China; Asian Institute of Management - Manila and Nanyang Business School - Singapore, to provide them with an experiential dimension to learning, thus enabling them to creatively present their solutions for real business issues directly to the respective business heads. The Grand Finale of the event happened on 22nd October, 2018 in the presence of Chairman and the Group Executive Board Members who were also the jury for the event. Team 'Alpha Kilo Golf Yankee' from MDI Gurgaon were winners for the event. Team 'Chaupal' from XLRI Jamshedpur and Team 'Roti Kapda Aur Bajaj' stood as Joint Runners Up for the event.

I Best Companies to Work for



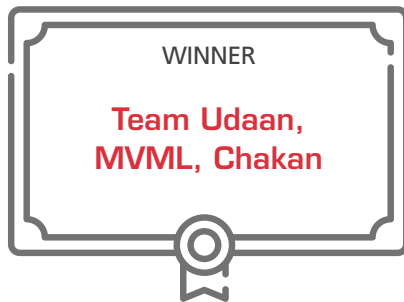
This achievement and recognition was mirrored by the rank given out by Great Places to Work last year, wherein the Company was adjudged the 10th best place to work in India. The consistent appearance in the Top 25 best places to work for in India for last four years only reaffirmed the belief that any recognition and strength of the employer brand in the external audiences is built by consistently working towards providing employees a great day-to-day experience at the workplace.

I The Rise Awards

Rise has been a way of life not just for officer cadre but also for workmen on the shop-floor, in each manufacturing plant. Rise Awards were institutionalized for workmen across the Group, through competitions at the Plant, Sector and Group Levels. The awards ceremony was conducted successfully in Financial Year 2019 with enthusiastic participation from various Mahindra Group Companies. The winners (as mentioned below) were felicitated by Mr. Rajeev Dubey and Mr. Zhooben Bhiwandiwala at the annual Rise Awards held at Mumbai.

CATEGORY

Accepting No Limits



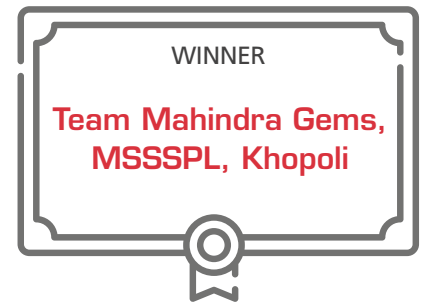
CATEGORY

Alternative Thinking



CATEGORY

Driving Positive Change



Rise@Work

Rise@Work portal is the gateway for Mahindra employees to experience the Rise philosophy as a catalyst of change within the organization. After 7 years the portal was enhanced to include features of

Artificial Intelligence ("AI") to build upon existing features of social collaboration

Gamification | HR life-cycle transactions | Communication

Rise@Work 3.0 also brings a focus on personalization of user content, and recommendations based on machine learning. Artificial intelligence is best experienced through conversational AI and that is brought forth through a Chatbot that interacts with employees and provides answers on a range of topics like HR Policy, governance, IT issues, finance and the brand.



Multi-rater Feedback

An in-house Multi-rater feedback instrument has been designed to provide feedback to Senior Leaders on the behaviors manifested under the three Rise pillars and the five Leadership characteristics. A total of 2,634 employees have been covered so far and is used by the entire Group for coaching conversations and in the development journey of employees. This manifestation will go a long way in building admiration for the employer brand.

Transformational Work Culture

The Transformational Work Culture initiative which aims to create an engaged workforce and an innovative, productive and competitive shop-floor ecosystem, continues to grow in strength. The Transformational Work Culture Committee ("TWCC") continually engages with long-term strategic initiatives which range from anticipated Labour Law reforms to 'Swachh Bharat Abhiyaan', Rise for Associates, Industrial Relations Skills for Frontline Officers, Transformational work culture Projects, e-Compliance, e-Quiz for associates, e-portal on reward and recognition for associates, e-safety module, Code of Conduct for Associates, Skill and employability enhancement training and workshops for flexi workforce and cutting-edge ER Practices under MLU.

To develop skills and foster togetherness at the workplace, multiple training and engagement programs were rolled out covering a wide range of topics viz.

- positive attitude • stress management
- creativity • team effectiveness • safety and environment • quality tools • TPM • skill building programs • customer focus • awareness on Promise 2019 • Code of Conduct • a Union Leadership Department Program.

I Industrial Relations

The year under review witnessed a very positive Industrial Relations scenario across all manufacturing locations for the Automotive and Farm Equipment Sectors/ all the manufacturing locations. Bonus settlements were amicably agreed upon at all locations. In a span of about 16 months, 9 Wage Settlement with various Unions were amicably concluded with an overall productivity rise ranging from 10% to 15%.



I Mahindra Skill Excellence

The Mahindra Skill Excellence Initiative has been further strengthened and sustained to enhance the skill on shop-floor and has received good participation across manufacturing facilities. This initiative has helped the Company to motivate the employees across Plants and give up-skilling a serious and methodical approach. The Company's associate will be representing India at the World Skill Competition in Russia in August, 2019. The associates also represented the 'Beijing Arc Cup Competition', Euroskills Russia and BRICS Johannesburg in various Skills. In the 'Beijing Arc Cup Competition' the Company's female associate was adjudged as "Outstanding Female Welder". In an endeavor to generate ideas towards improving quality, reducing costs, ensuring safety and improving productivity, the shop floor associates generated on an average 18 ideas per person.

I A Healthy Work Environment

Significant emphasis was also laid towards raising awareness on health and wellness of employees through annual medical check-ups, health awareness activities. Diet food has become a way of life over the past three years. The Company maintains an 'Employee Health Index' at an individual level and this has been a useful tool in identifying employees who require focused counselling and monitoring.

The cornerstones of the Company's employee relations approach are:

- Proactive and employee-centric shop floor practices;
- A relentless focus on transparent communication of business goals through monthly Plant Head communication;
- An effective concern resolution mechanism;
- The firm belief that employees are the most valuable assets of the Company.



An 'open door policy' and constant dialogue to create win-win situations have helped the Company to build trust and harmony. All this resulted in zero production loss in the Financial Year 2018-19 and helped create a collaborative, healthy and productive work environment.


The Company had a total of 21,020 employees on its rolls as on 31st March, 2019.

I Internal Control Systems

Your Company maintains adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. These are regularly tested for their effectiveness by Statutory as well as Internal Auditors. Your Company's Internal Financial Controls are deployed through Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), that addresses material risks in your Company's operations and financial reporting objectives. The framework is a combination of entity level controls (including Enterprise Risk Management, Legal Compliance Framework, Internal Audit and Anti-Fraud Mechanisms such as Ethics Framework, Code of Conduct, Whistle Blower Policy, etc.), process level controls, information technology based controls, period end financial reporting and closing controls.



Further, the Internal Control Systems have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information. In the highly networked IT environment of the Company, validation of IT Security receives focused attention from IT specialists and Statutory Auditors.



Your Company has a strong and independent Internal Audit function consisting of professionally qualified accountants and engineers.

The Chief Internal Auditor reports directly to the Chairman of the Board. The Internal Audit function develops an audit plan for the Company, which covers, inter alia, corporate, core business operations, as well as support functions. The Audit Committee reviews the annual internal audit plan. Significant audit observations are presented to the Audit Committee, together with the status of the management actions and the progress of the implementation of the recommendations.

The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. During the year, the Company has taken steps to review and document the adequacy and operating effectiveness of internal controls. Nonetheless, your Company recognises that any internal control framework, no matter how well designed, has inherent limitations and accordingly, regular audits and review processes ensure that such systems are reinforced on an ongoing basis.

Your Company's Management has carried out the evaluation of design and operative effectiveness of these controls and noted no significant deficiencies/material weaknesses that might impact financial statements as at the Balance Sheet date.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

I Overview

The financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act.

The Group's consolidated financial statements have been prepared in compliance with Ind AS 110 on Consolidation of Accounts and presented in a separate section.

FINANCIAL INFORMATION [STANDALONE]

I Property, Plant and Equipment and Intangible Assets:

As at 31st March 2019, the Property, Plant and Equipment and Intangible Assets stood at Rs. 12,502 crores as compared to Rs. 10,988 crores as at 31st March, 2018. During the year, the Company incurred capital expenditure of Rs. 3,082 crores (previous year Rs. 2,683 crores). The major items of capital expenditure were on new product development and capacity enhancement.

Borrowings:

(Rs. crores)

	2019	2018	Inc./ (Dec.)
Long Term Borrowings	2,032	2,196	(164)
Short Term Borrowings	449	668	(220)
Current Maturities of Long Term Borrowings	91	94	(3)
Unclaimed Matured deposits	0.2	0.5	(0.3)
Total	2,572	2,959	(387)

Borrowings (including current maturities of long term debt and unclaimed matured deposits) have decreased from Rs. 2,959 crores in the previous year to Rs. 2,572 crores in the current year mainly due to repayments.

Trade Receivable:

Trade Receivable is Rs. 3,946 crores as at March 31, 2019, as compared with Rs. 3,173 crores as at March 31, 2018. Also, as a percentage of gross revenue from sales of products and services, trade receivable is higher at 7.5% for the year ended March 31, 2019, as compared to 6.5% for the previous year mainly on account of sales mix and prevailing credit situations in the market.

RESULTS OF OPERATIONS

Income:

Particulars	2019		2018		Inc./ (Dec.)
	Amount (Rs. crores)	% to Net Sales & Income from operations	Amount (Rs. crores)	% to Net Sales & Income from operations	%
Sales of Products	52,222	97.4	48,288	99.3	8.1
Sale of Services	738	1.4	583	1.2	26.6
Other Operating revenue	654	1.2	574	1.2	13.9
Gross Sales & Income from Operations	53,614	100.0	49,445	101.7	8.4
Less : Excise Duty on Sales	-	-	812	1.7	NA
Net Sales & Income from Operations	53,614	100.0	48,633	100.0	10.2
Other Income	1,689	3.2	1,036	2.1	63.0

Net Sales, Income from Operations & Other Income:

The net sales and income from operations of the Company increased by 10.2% as compared to the previous year mainly driven by performance of the Auto business.

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 Income from Operations under GST regime is presented excluding GST as per Ind AS 18 'Revenue'. However, Income from Operations under pre-

Inventories:

	2019	2018
Raw materials and bought out components as a % of cost of materials consumed	4.2%	4.2%
Finished goods and Stock-in-trade as a % of sales of products	4.4%	2.9%

Raw materials and bought out components as a % of cost of materials consumed has remained flat in FY 19 as compared to FY 18. However, Finished goods and Stock-in-trade as a % of sales of products has increased mainly on account of build-up in finished goods inventory.

GST regime included Excise Duty which is now subsumed in GST. Consequently, the figures for the year ended 31st March 2019 are not comparable with the previous period presented in the above table.

Other income during the Financial Year 2018-19 at Rs. 1,689 crores is higher than Rs. 1,036 crores earned in the previous year mainly on account of higher dividend income during 2018-19 as compared to 2017-18.

Particulars	2019		2018		Inc./(Dec.)
	Amount (Rs. crores)	% to Net Sales & Income from Operations	Amount (Rs. crores)	% to Net Sales & Income from Operations	%
Material Costs	38,257	71.4	34,135	70.2	12.1
Employee Benefits Expense	2,980	5.6	2,841	5.8	4.9
Finance Costs	113	0.2	112	0.2	1.1
Depreciation and Amortisation Expense	1,860	3.5	1,479	3.0	25.8
Other expenses	5,738	10.7	5,434	11.2	5.6
Total Expenses	48,948	91.3	44,001	90.5	11.2

Expenditure:

The total expenditure during the year as a percentage of net sales & Income from operations is 91.3% as compared to 90.5% in the previous year. The increase is mainly attributable to higher material costs in FY19.

Material Cost:

The material cost as a percentage of net sales & Income from operations has increased from 70.2% in the previous year to 71.4% in the current year mainly on account of elevated levels of inputs costs witnessed during FY19.

Personnel Cost:

The personnel cost as a percentage of net sales & Income from Operations has decreased from 5.8% in the previous year to 5.6% in the current year.

Other Expenses:

Other expenses as a percentage of net sales and operating income has decreased mainly on account of stricter cost control measures adopted by the Company.

Depreciation and amortisation:

Depreciation and amortisation expenses as a percentage of net sales and operating income shows an increase over the previous year. This is mainly on account of higher depreciation and amortisation charges on new products launched during FY19.

Finance Costs:

The interest expense for the year ended 31st March 2019 is relatively flat as compared to the previous year.

Exceptional Items:

Exceptional items in the current and previous year comprises of profit earned on sale of certain long-term investments partly offset by impairment of certain current investments and investments in subsidiaries, associates and joint ventures considering the performance of these companies and their future projections.

Provision for taxation:

The provision for current tax and deferred tax for the year ended March 31, 2019 as a percentage to profit before tax (after exceptional items) is lower than the previous year mainly on account of write-back of tax provision with respect to earlier periods.

The key financial ratios of the Company are given as below:

Particulars	2019	2018
Debtors Turnover (times)	16.18	19.07
Inventory Turnover (times)	12.64	13.71
Interest Coverage Ratio (times)	30.89	28.11
Current Ratio (times)	1.26	1.24
Debt Equity Ratio (times)	0.08	0.10
Operating Profit Margin (%)	12.4%	12.6%
Net Profit Margin (%)	8.9%	8.8%
Return on Net Worth (%)	14.8%	15.4%

The Return on Net Worth marginally drops from 15.4% in the previous year to 14.8% in the current year on the base of a modest profit growth amidst challenging business environment encountered during the year.

Consolidated Financial Position of the M&M Group

As on 31st March, 2019 the Group for the purpose of consolidation comprised of the flagship holding company Mahindra & Mahindra Limited, 177 Subsidiaries, 25 Joint Ventures and 35 Associates.

The Group's net revenue and other income is Rs. 105,806 crores in the current year as compared to Rs. 93,896 crores in the previous year. The profit before exceptional items and tax for the current year is Rs. 7,280 crores as compared to Rs. 6,590 crores in the previous year. The consolidated Group Profit for the year after exceptional items and tax and after deducting non-controlling interest (NCI) is Rs. 5,315 crores as compared to Rs. 7,510 crores in the previous year.

Tech Mahindra Limited, (TML) the company's Flagship Company in the IT Sector, has reported a consolidated operating revenue of Rs. 34,742 crores in the current year as compared to Rs. 30,773 crores in the previous year, an increase of 13%. Its consolidated profit after tax after non-controlling interests is Rs. 4,298 crores as compared to Rs. 3,800 crores in the previous year, a growth of 13%.

The Group's finance company, Mahindra & Mahindra Financial Services Limited (Mahindra Finance), reported a total consolidated operating income of Rs. 10,372 crores during the current year as compared to Rs. 7,884 crores last year, a growth of 32%. The consolidated profit after tax after non-controlling interests for the year is Rs. 1,827 crores as compared to Rs. 1,185 crores in the previous year, a growth of 54%. Mahindra Finance customer base has crossed 6 million customers.

Mahindra Finance currently has a network of over 1,300 offices and Total Assets under Management of Rs. 74,576 crores as on 31st March, 2019 as against Rs. 58,730 crores as on 31st March, 2018, a growth of 27%.

Mahindra Lifespace Developers Limited (MLDL), the Group's subsidiary in the business of real estate and infrastructure registered a consolidated operating income of Rs. 593 crores as compared to Rs. 566 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 120 crores as compared to Rs. 101 crores in the previous year.

Mahindra Holidays & Resorts India Limited, the Group's subsidiary in the business of timeshare registered a consolidated operating income of Rs. 2,239 crores as compared to Rs. 2,317 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 60 cores as compared to Rs. 132 crores.

Mahindra Logistics Limited (MLL), the Group's subsidiary in the business of Logistics registered a consolidated operating income of Rs. 3,851 crores as compared to Rs. 3,416 crores in the previous year, a growth of 13%. The consolidated profit after tax after non-controlling interests for the year is Rs. 86 crores as compared to Rs. 64 crores in the previous year, a growth of 34%.

Ssyangyong Motor Company, the Korean Subsidiary of the company has reported operating revenue of Rs. 24,184 crores in the current fiscal year as compared to Rs. 20,410 crores in the previous year. The loss for the year is Rs. 345 crores as compared to loss of Rs. 498 crores in the previous year.

Segment Results (before exceptional item)

The results achieved by major business segments of the Group are given below:

(Rs. in crores)

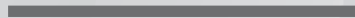
	Segment	F-2019	F-2018
1.	Automotive	2,141	2,026
2.	Farm Equipment	2,382	3,051
3.	Financial Services	2,703	1,851
4.	Hospitality	97	222
5.	Real Estate	37	65
6.	Others	(25)	17
7.	Eliminations	(58)	(45)
	Total	7,277	7,187

Disclaimer

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.



**C O R P O R A T E
G O V E R N A N C E**



Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Business Ethics and Corporate Governance have been an integral part of the way your Company has been doing business since inception, which has contributed to its consistent growth. Your Company strongly believes that the best Corporate Governance practices have been the key enablers in inculcating stakeholders' trust & confidence, attracting & retaining financial & human capital and meeting societal aspirations.

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is given herein below:

I. BOARD OF DIRECTORS

The composition of the Board of your Company is in conformity with Regulation 17 of the Listing Regulations. The Executive Chairman of your Company, though a Professional Director in his individual capacity, is a Promoter and the number of Non-Executive and Independent Directors is more than one-half of the total number of Directors.

Mr. Anand G. Mahindra, Executive Chairman and Dr. Pawan Goenka, Managing Director are the Whole-time Directors of your Company. The remaining Non-Executive Directors, comprising of Seven Independent Directors including a Woman Director and One Non-Independent Director as on 31st March, 2019 on the Board are well qualified, experienced, competent and highly renowned persons from diverse fields including manufacturing, finance, economics, law, governance, etc. They take active part at the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance, etc. and play critical role on strategic issues and add value in the decision making process of the Board of Directors.

The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013 ("the Act") and the Listing Regulations. All the Independent Directors have confirmed that they meet the criteria as mentioned

in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors fulfil the conditions specified in the Listing Regulations and are Independent of the Management.

Apart from reimbursement of expenses incurred in the discharge of their duties, the remuneration that these Directors were entitled to under the Act as Non-Executive Directors and the remuneration that a Non-Executive Director may receive for professional services rendered to the Company through a firm in which he is a partner, none of these Directors have any other pecuniary relationships with your Company, its Subsidiaries or Associates or their Promoters or Directors, during the two immediately preceding financial years or during the current financial year. None of the Directors of your Company are inter-se related to each other.

Professional fees for the year under review to Khaitan & Co., Advocates & Solicitors, in which Mr. R. K. Kulkarni, Non-Executive and Independent Director is a partner, amounted to Rs. 160.48 lakhs (including out of pocket expenses).

Pursuant to the recommendation of the Governance, Nomination and Remuneration Committee ("GNRC"), the Board at its Meeting held on 14th November, 2018, appointed Mr. Vijay Kumar Sharma as an Additional Non-Executive Non-Independent Director of the Company representing Life Insurance Corporation of India (LIC) with effect from that date. Mr. Sharma will hold office as an Additional Director upto the Annual General Meeting ("AGM") of the Company to be held on 7th August, 2019, and thereafter, subject to the approval of the Members at the said AGM, as a Non-Executive Non-Independent Director, liable to retire by rotation.

Further, the GNRC at its Meeting held on 28th May, 2019, after taking into account the performance evaluation of Independent Directors and the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta during their tenure, has recommended to the Board that continued association of Dr. Vishakha N. Desai and

Mr. Vikram Singh Mehta as Independent Directors of the Company would be beneficial to the Company. Based on the above and the performance evaluation of Independent Directors, the Board recommended the re-appointment of Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta, as Independent Directors of the Company, not liable to retire by rotation, to hold office for a second term on the Board of the Company, as under:

Sr. No.	Name of the Director	Period of second term
1.	Dr. Vishakha N. Desai	For a further period commencing from 8 th August, 2019 to 30 th April, 2024.*
2.	Mr. Vikram Singh Mehta	For a further period of Five consecutive years commencing from 8 th August, 2019 to 7 th August, 2024.

* Dr. Vishakha N. Desai will attain 75 years of age on 1st May, 2024 and hence her second term is upto 30th April, 2024.

During the year under review, no Independent Director of the Company resigned before the expiry of their tenure.

The Senior Management of your Company have made disclosures to the Board confirming that there are no material financial and commercial transactions between them and the Company which could have potential conflict of interest with the Company at large.

A. Composition of the Board

The Board of your Company comprises of Ten Directors as on 31st March, 2019.

None of the Director is a Director in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 8 listed entities (as specified in Regulation 17A of the Listing Regulations) or acts as an Independent Director (including any alternate directorships) in more than 7 listed companies or 3 equity listed companies in case he/she serves as a Whole-time Director/Managing Director in any listed company (as specified in Regulation 17A of the Listing Regulations). Further, none of the Directors on the Board is a Member of more than 10 Committees and Chairperson of more than 5 Committees (as specified in Regulation 26 of the Listing Regulations), across all the Indian public limited companies in which he/she is a Director.

The name and categories of Directors, DIN, the number of Directorships, Committee positions held by them in the companies and the list of other Listed Entities where he/she is a Director alongwith the category of their Directorships are given below:

Directors and Category	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31 st March, 2019			Directorships in other Listed entities alongwith the Category of Directorship
	Directorships \$	Committee Chairmanships+	Committee Memberships+	

NON-EXECUTIVE

Mr. Nadir B. Godrej Independent (DIN – 00066195)	10	3	3	Godrej Agrovet Limited (Non-Executive Chairman)
				Godrej Industries Limited (Managing Director)
				Godrej Consumer Products Limited (Non-Executive Director)
				Godrej Properties Limited (Non-Executive Director)
				The Indian Hotels Company Limited (Independent Director)
				Astec Lifesciences Limited (Non-Executive Chairman)
Mr. M. M. Murugappan Independent (DIN – 00170478)	9	3	2	Coromandel International Limited (Non-Executive Chairman)
				Carborundum Universal Limited (Non-Executive Chairman)
				Tube Investments of India Limited (Non-Executive Chairman)
				Cholamandalam Financial Holdings Limited (Non-Executive Chairman)
				Cholamandalam Investment and Finance Company Limited (Non-Executive Chairman)
				Cyient Limited (Non-Executive Director)
				Cholamandalam MS General Insurance Company Limited ^ (Non-Executive Chairman)

Directors and Category	Total Number of Directorships, Committee Chairmanships and Memberships of public limited companies*, as on 31 st March, 2019			Directorships in other Listed entities alongwith the Category of Directorship
	Directorships \$	Committee Chairmanships+	Committee Memberships+	
Mr. R. K. Kulkarni Independent (DIN – 00059367)	7	2	6	Elantas Beck India Limited (Independent Director)
				Chowgule Steamships Limited (Independent Director)
				Tech Mahindra Limited (Independent Director)
				Entertainment Network (India) Limited (Independent Director)
Mr. Anupam Puri Independent (DIN – 00209113)	3	–	1	Dr. Reddy's Laboratories Limited (Independent Director)
				Tech Mahindra Limited (Independent Director)
Dr. Vishakha N. Desai Independent (DIN – 05292671)	1	–	1	–
Mr. Vikram Singh Mehta Independent (DIN – 00041197)	7	-	3	Colgate-Palmolive (India) Limited (Independent Director)
				Apollo Tyres Limited (Independent Director)
				Jubilant Foodworks Limited (Independent Director)
				Larsen and Toubro Limited (Independent Director)
				HT Media Limited (Independent Director)
Mr. T. N. Manoharan Independent (DIN – 01186248)	3	2	1	Tech Mahindra Limited (Independent Director)
				Canara Bank (Non-Executive Nominee Chairperson)
Mr. Vijay Kumar Sharma ** Nominee of LIC – Non-Independent (DIN – 02449088)	4	-	-	ACC Limited (Non-Executive Non-Independent Director)
				Tata Steel Limited (Non-Executive Non-Independent Director)
				ICICI Bank Limited^^ (Non-Executive Non-Independent Director)

EXECUTIVE

Mr. Anand G. Mahindra Executive Chairman Promoter (DIN – 00004695)	5	–	1	Tech Mahindra Limited (Non-Executive Chairman)
Dr. Pawan Goenka Managing Director (DIN – 00254502)	7	–	1	Swaraj Engines Limited (Non-Executive Director)

* Excludes private limited companies, foreign companies and companies registered under section 8 of the Act and includes Nationalised Bank.

\$ Includes Additional Directorship and Directorship in your Company.

+ Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) excludes Chairmanship(s).

^ Debt listed company.

** Appointed as Director w.e.f. 14th November, 2018.

^^ Ceased as Director w.e.f. 1st April, 2019.

B. Board Procedure

A detailed Agenda, setting out the business to be transacted at the Meeting(s), supported by detailed Notes and Presentations, if any, is sent to each Director at least seven days before the date of the Board Meeting(s) and of the Committee Meeting(s). To provide a web-based solution, a soft copy of the said Agenda(s) is also uploaded on the Board Portal which acts as a document repository. Video conferencing facilities are provided to enable Directors who are unable to attend the meetings in person, to participate in the meeting via video conferencing.

To enable the Board to discharge its responsibilities effectively and take informed decisions, the Executive Chairman apprises the Board at every Meeting of the overall performance of your Company, followed by Presentation(s) by the Managing Director and the Sector President(s). A detailed functional Report is also presented at the Board Meeting(s).

The Board also, *inter alia*, periodically reviews strategy and business plans, annual operating and capital expenditure budget(s), investment and exposure limit(s), compliance report(s) of all laws applicable to your Company, as well as steps taken by your Company to rectify instances of non-compliances, performance of operating divisions, review of major legal issues, minutes of the Committees of the Board and of Board Meetings of your Company's subsidiary companies, significant transactions and arrangements entered into by the unlisted subsidiary companies, approval of quarterly / half-yearly / annual results, significant labour problems and their proposed solutions, safety and risk management, transactions pertaining to purchase/disposal of property(ies), sale of investments, major accounting provisions and write-offs, corporate restructuring, joint ventures or collaboration agreement(s), material default in financial obligations, if any, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public or product liability claims of substantial nature, including judgement or order which may have passed strictures on the conduct of your Company, quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement.

The Board sets annual performance objectives, oversees the actions and results of the management, evaluates its own performance, performance of its Committees and individual Directors on an annual basis and monitors the effectiveness of the Company's governance practices for enhancing the stakeholders' value.

The Company has well-established framework for the Meetings of the Board and its Committees which seeks to systematise the decision making process at the Meetings in an informed and efficient manner.

Apart from Board Members and the Company Secretary, the Board and Committee Meetings are generally also attended by the Chief Financial Officer and wherever required by the Heads of various Corporate Functions.

C. Number of Board Meetings, Attendance of the Directors at Meetings of the Board and at the Annual General Meeting

During the year 1st April, 2018 to 31st March, 2019, Five Board Meetings were held on the following dates – 29th May, 2018, 7th August, 2018, 14th November, 2018, 7th & 8th February, 2019 and

25th March, 2019. The Board met at least once in every Calendar Quarter and the gap between two Meetings did not exceed one hundred and twenty days. These Meetings were well attended by the Directors. The 72nd AGM of your Company was held on 7th August, 2018.

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

Directors	Number of Board Meetings attended	Attendance at the 72 nd AGM
Mr. Anand G. Mahindra	5	Yes
Dr. Pawan Goenka	5	Yes
Mr. Nadir B. Godrej	5	Yes
Mr. M. M. Murugappan	4 [#]	Yes
Mr. R. K. Kulkarni	5	Yes
Mr. Anupam Puri	5	Yes
Dr. Vishakha N. Desai	5	Yes
Mr. Vikram Singh Mehta	5	Yes
Mr. T. N. Manoharan	5	Yes
Mr. Vijay Kumar Sharma*	3	N.A.

[#] In addition, Mr. M. M. Murugappan participated in one Board Meeting through audio call. No sitting fees was paid to him for participation through audio call.

* appointed w.e.f. 14th November, 2018

Video conferencing facility is offered to facilitate Directors to participate in the Meetings.

D. Meetings of Independent Directors

The Independent Directors of your Company meet before the Board Meeting without the presence of the Executive Chairman, Managing Director, other Non-Independent Director(s) or any other Management Personnel.

These Meetings are conducted in an informal and flexible manner to enable the Independent Directors to, *inter alia*, discuss matters pertaining to review of performance of Non-Independent Directors and the Board of Directors as a whole, review the performance of the Executive Chairman of the Company (taking into account the views of the Managing Director and Non-Executive Director), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Five Meetings of Independent Directors were held during the year and these Meetings were well attended by the Independent Directors.

E. Director(s) seeking Appointment/ Re-appointment

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

Pursuant to the recommendation of the GNRC, the Board at its Meeting held on 14th November, 2018, appointed Mr. Vijay Kumar Sharma as an Additional Non-Executive Non-Independent Director of the Company representing LIC with effect from 14th November, 2018, to hold office as an Additional Director upto the forthcoming AGM of the Company.

Further, the Board at its Meeting held on 29th May, 2019, based on the recommendation of the GNRC, recommended the re-appointment of Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta, as Independent Directors of the Company, not liable to retire by rotation, to hold office for a second term from 8th August, 2019 to 30th April, 2024 and from 8th August, 2019 to 7th August, 2024, respectively, on the Board of the Company.

The profiles of Dr. Pawan Goenka, Mr. Vijay Kumar Sharma, Dr. Vishakha N. Desai and Mr. Vikram Singh Mehta along with other details are as follows:

Dr. Pawan Goenka **Managing Director**

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

Dr. Goenka received the Extraordinary Accomplishment Award from General Motors in 1986, the Burt L. Newkirk Award for the year 1987, the Charles L. McCuen Achievement Award from General Motors for the years 1985 & 1991, an Outstanding International Advisor Award from SAE in 1997, and a Distinguished Alumni Award from I.I.T., Kanpur in 2004. He received the Engineering Excellence Award 2012 from SAE India Foundation. He is a Fellow of SAE International and of The Indian National Academy of Engineers. He was also awarded Honorary Fellowship from Institution of Mechanical Engineers in December 2017.

In January 2011, Dr. Pawan Goenka was honoured with the Automotive Man of the Year award at the NDTV Car & Bike Awards. In December 2011, Dr. Goenka featured as Autocar Professional's Man of the Year 2011. He was conferred the 'CV Man of the Year' award at the annual Apollo CV Awards 2012 in recognition of his extensive contribution within the automotive industry in India and globally. He was conferred with the Doctor of Science (honoris causa) by I.I.T., Kanpur in 2015 and has been awarded the 2016 FISITA Medal of Honour, which is bestowed for his 'Particularly Distinguished Achievement and Leadership in The Global Automotive Industry' and is the first Indian to receive this prestigious recognition.

Dr. Pawan Goenka has completed 64 years of age.

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

Dr. Goenka is the Chairman of Mahindra Vehicle Manufacturers Limited, Mahindra Electric Mobility Limited, Mahindra Agri Solutions Limited, Mahindra and Mahindra South Africa (Pty.) Limited, Mahindra USA Inc., SsangYong Motor Company, Mahindra Racing UK Limited, Mahindra Automotive North America Inc. and Mitsubishi Mahindra Agricultural Machinery Co. Limited. He is the Managing Director of Mahindra & Mahindra Limited and also on the Boards of Mahindra First Choice wheels Limited, Swaraj Engines Limited, New Democratic Electoral Trust and Classic Legends Private Limited.

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

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

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

Mr. Vijay Kumar Sharma Non-Executive Non-Independent Director

Mr. Vijay Kumar Sharma is a post-graduate (M.Sc.) from Patna University.

Mr. Sharma joined Life Insurance Corporation of India ("LIC") as Direct Recruit Officer in 1981 and grew up with the Corporation since then. He held various challenging assignments pan India and in all operational streams including in-charge positions at different levels. Working across length and breadth of the country has added immensely to his experience and honed his understanding of demographics of the country, socio-economic needs of different regions and multi-cultural challenges in implementation of LIC's objectives.

Mr. Vijay Kumar Sharma superannuated as Chairman of LIC on 31st December, 2018. Prior to his taking over as Chairman on 16th December 2016, he served as Chairman (In charge) from 16th September, 2016 and Managing Director of LIC from 1st November, 2013. From December, 2010 to November, 2013, he served as Managing Director & Chief Executive Officer, LIC Housing Finance Limited (LIC HFL), a premiere housing finance company in the country.

As MD & CEO of LIC HFL, he stabilized the operations under most challenging circumstances of negative media glare, intense scrutiny by Regulator & others and turned it around to be the best Housing Finance Company in 2011.

He has been an inspirational leader who utilizes negotiation skills gained over thirty seven years of extensive experience in insurance and financial sectors and strongly connects to the grass root levels, believes in bottom-up approach and has the ability to see the Big Picture and translate it to reality. He is known as Growth Leader, leading the Organisation to surge ahead and turnaround on its growth path in all the segments of performance.

Mr. Vijay Kumar Sharma has completed 60 years of age.

Mr. Sharma was also Chairman of LIC Housing Finance Ltd, LIC (International) B S C (C) Bahrain, Life Insurance Corporation Singapore Pte. Ltd. and other companies. He was also Director on Boards of Kenindia Assurance Co. Ltd. and ICICI Bank Limited. Currently, he is on Boards of ACC Limited, Tata Steel Limited and Mahindra & Mahindra Limited.

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

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	ACC Limited	Corporate Social Responsibility Committee	Member
		Risk Committee	Member
2.	Tata Steel Limited	Stakeholders Relationship Committee	Chairman
		Safety, Health and Environment Committee	Member

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

Dr. Vishakha N. Desai Independent Director

Dr. Vishakha N. Desai was first appointed as a Director on the Board of the Company on 30th May, 2012, where she serves as Chairperson of the Corporate Social Responsibility Committee and Member of the Stakeholders Relationship Committee.

Dr. Desai is currently Senior Advisor for Global Affairs to the President of Columbia University in the city of New York, Vice Chair of Columbia's Committee on Global Thought and Senior Research Scholar in Global Studies at its School of International and Public Affairs. From 1990 to 2012, Dr. Desai held a variety of positions at the Asia Society, initially as the Director of the Asia Society Museum, and for the last eight years as President and CEO. Under her leadership as President, she expanded the Society's reach in Asia through innovating programs and through the establishment of new centers in the region.

Dr. Desai is a Trustee of the Doris Duke Charitable Foundation and Chair of the Board of Trustees of AFS Intercultural Programs. She also serves as a member of the Board of Directors for Teach for All, the Social Science Research Council, on the Governing Council of the newly established KREA University, and is currently Vice-Chair of the Advisory Board for the Smithsonian Asian Pacific American Center. She is not a Director in any other company.

In previous years, Dr. Desai has served as the President of the Association of Art Museum Directors and has been on numerous other boards and advisory committees of both national and international non-profit organizations, including but not limited to the Solomon R. Guggenheim Foundation, Brookings Institution, Bertelsmann Foundation, Auroville Foundation of India, and the House of World Cultures in Berlin.

In addition to several publications, Dr. Desai is also a frequent contributor to newspapers and magazines in both the U.S. and Asia. Dr. Desai is the recipient of five honorary degrees and holds a B.A. in Political Science from Bombay University and an M.A. and Ph.D in Asian Art History from the University of Michigan.

Dr. Vishakha N. Desai has completed 70 years of age and holds 5,000 Ordinary (Equity) Shares in the Company.

Mr. Vikram Singh Mehta Independent Director

Mr. Vikram Singh Mehta was first appointed as a Director on the Board of the Company on 30th May, 2012. Mr. Vikram Singh Mehta was until November, 2012 Chairman of the Shell Group of companies in India. Mr. Mehta's career began as a Member of the Indian Administrative Service of the Government of India in 1978.

Mr. Mehta completed his Bachelor's Degree in Mathematics (Hons.) from St. Stephens College, Delhi University. He has a Master's Degree in Politics and Economics (Hons.) from Magdalen College, Oxford University, UK and a Master's Degree in Energy Economics from the Fletcher School of Law and Diplomacy, Tufts University in USA.

Mr. Mehta is the recipient of Asia House (London), "Businessmen of the Year" Award 2010; he is a Member of Board of Governors – Pandit Deendayal Petroleum University and Member, Board of Overseers – Fletcher School of Law and Diplomacy, Tufts University. He was the former Chairman, Young Peoples Award Programme India (erstwhile Duke of Edinburgh's Award) and Member, Board of Governors, Indian Public Schools' Society. He has a monthly column "Over the Barrel" in the Indian Express and Financial Express.

Mr. Vikram Singh Mehta has completed 66 years of age.

Mr. Mehta serves as a Director on the Boards of Mahindra & Mahindra Limited, Larsen & Toubro Limited, Colgate-Palmolive (India) Limited, N V Advisory Services Private Limited, Apollo Tyres Limited, L&T Hydrocarbon Engineering Limited, HT Media Limited and Jubilant Food Works Limited. He is also a designated partner of TMA Estates LLP.

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

Sr. No	Name of the Company	Name of the Committee	Position Held
1.	Mahindra & Mahindra Limited	Governance Nomination and Remuneration Committee	Member
		Corporate Social Responsibility Committee	Member
		Loans & Investment Committee	Member
		Strategic Investment Committee	Member
2.	Colgate-Palmolive (India) Limited	Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Risk Management Committee	Member
3.	Larsen & Toubro Limited	CSR Committee	Chairman
4.	L&T Hydrocarbon Engineering Limited	CSR Committee	Member
		Nomination and Remuneration Committee	Member
5.	Jubilant Food Works Limited	Stakeholder Relationship Committee	Chairman
		Audit Committee	Member
		Nomination Remuneration & Compensation Committee	Member
		Risk Management Committee	Member
6.	HT Media Limited	Audit Committee	Member

Mr. Mehta holds 20,000 Ordinary (Equity) Shares in the Company.

F. Codes of Conduct

The Board of your Company has laid down two separate Codes of Conduct ("Codes"), one for all the Board Members and the other for Employees of the Company. These Codes have been posted on the website of your Company at the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Executive Chairman to this effect is enclosed at the end of this Report.

The Code of Conduct for the Board Members of the Company also includes Code for Independent Directors which is a guide to professional conduct for Independent Directors, pursuant to section 149(8) and Schedule IV of the Act.

G. CEO/CFO Certification

The Executive Chairman, Managing Director and Group CFO & Group CIO of the Company jointly give annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Executive Chairman, Managing Director and Group CFO & Group CIO also jointly give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations.

H. Board Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of all the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, Execution and Performance of Specific Duties, Obligations and Governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfilment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee Meetings to fulfil duties assigned to it, adequacy and timeliness of the Agenda and Minutes circulated, comprehensiveness of the discussions and

constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

A separate exercise was carried out by the Governance, Nomination and Remuneration Committee of the Board to evaluate the performance of Individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Executive Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Managing Director and Non-Executive Directors. The Independent Directors and Executive Chairman also carried out performance evaluation of the Managing Director of the Company. The Directors expressed their satisfaction with the evaluation process. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors.

I. Familiarisation Programme for Independent Directors

Pursuant to Regulation 25(7) of the Listing Regulations, the Company imparted various familiarisation programmes for its Directors including review of Investments of the Company by Strategic Investment Committee, Industry Outlook at the Board Meetings, Regulatory updates at Board and Audit Committee Meetings covering changes with respect to the Companies Act, SEBI Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Prevention of Insider Trading Regulations, SEBI Listing Regulations, Framework for Related Party Transactions, Plant Visit, Meeting with Senior Executive(s) of your Company, etc. Pursuant to Regulation 46 the details required are available on the website of your Company at the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>.

J. Board Confirmation regarding Independence of the Independent Directors

All the Independent Directors of the Company have given their respective declaration/disclosures under section 149(7) of the Act and Regulation 25(8) of the Listing Regulations and have confirmed that they fulfil the independence criteria as specified under section 149(6) of the Act and Regulation 16 of the Listing

Regulations and have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Further, the Board after taking these declaration/disclosures on record and acknowledging the veracity of the same, concluded that the Independent Directors are persons of integrity and possess the relevant expertise and experience to qualify as Independent Directors of the Company and are Independent of the Management.

K. Matrix setting out the core skills/ expertise/ competence of the Board of Directors

A chart/ matrix setting out the core skills/ expertise/ competencies identified by the Board of Directors in the context of the Company's businesses and sectors as required for it to function effectively and those actually available with the Board are given below:

Sr. No.	Skills	Particulars
1.	Business Experience	Established leadership skills in strategic planning, succession planning, driving change and long-term growth and guiding the company towards its vision, mission and values. Critically analysing complex and detailed information and developing innovative solutions and striking a balance between agility and consistency.
2.	Global business/ broad international exposure /emerging markets experience	Global mindset and staying updated on global market opportunities, experience in driving business success in markets around the world with an understanding of diverse business environments, economic conditions, sensitivity to cultural diversity and adaptability.
3.	Financial Experience and Risk Oversight	The Company uses various financial metrics to measure its performance. Accurate Financial Reporting and Robust Auditing are critical to its success. The Company expects its Directors :- 1. To have an understanding of Finance and Financial Reporting Processes; 2. To understand and oversee various risks facing the Company and ensure that appropriate policies and procedures are in place to effectively manage risk.

Sr. No.	Skills	Particulars
4.	Technology and Innovation	An appreciation of emerging trends in product design and development, research, disruptions in technology and in business models.
5.	Governance and Regulatory oversight	Devise systems for compliance with a variety of regulatory requirements, reviewing compliance and governance practices for a long term sustainable growth of the Company and protecting stakeholders' interest.
6.	Sales and Marketing Exposure	Ability in developing strategies to increase market share through innovation, build better brand experience for customers, improve prospective customer engagement levels and help establish active customers become loyal brand followers.

L. Resignation of Independent Director(s)

During the year under review, none of the Independent Directors of the Company had resigned before the expiry of their respective tenure(s).

II. REMUNERATION TO DIRECTORS

A. Remuneration Policy

Your Company has a well-defined Policy for Remuneration of the Directors, Key Managerial Personnel and other Employees.

This Policy is available on the website of the Company at the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>.

Governance, Nomination and Remuneration Committee ("GNRC") while deciding the basis for determining the compensation, both fixed and variable to the Non-Executive Directors, takes into consideration various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Act and Listing Regulations and such other factors as the GNRC deems fit.

The elements of remuneration package of Executive Directors include salary, benefits, stock options, provident fund, etc. and is decided based on the individual performance, inflation, prevailing industry trends and benchmarks. The Non-Executive Directors are paid remuneration in the form of sitting fees and commission.

B. Remuneration to Non-Executive Directors for the year ended 31st March, 2019

(Rs. In Lakhs)

Pursuant to the approval granted by the Members of the Company at the 69th AGM held on 7th August, 2015, the eligible Non-Executive Directors are paid commission upto a maximum of 1% of the net profits of the Company for each financial year, as computed in the manner laid down in section 198 of the Act or any statutory modification(s) or re-enactment(s) thereof or Rs. 38 crores in the aggregate, whichever is lower; provided that none of such Directors shall, in any Financial Year individually receive a portion of such remuneration more than one quarter percent of the net profits of the Company.

During the year under review, the following Non-Executive Directors were paid a commission of Rs. 271.60 lakhs (provided for in the accounts for the year ended 31st March, 2018), distributed amongst the Directors as follows:

Directors	Commission for the year ended 31 st March, 2018, paid during the year under review
Mr. Deepak S. Parekh@	12.72
Mr. Nadir B. Godrej	30.00
Mr. M. M. Murugappan	36.00
Mr. R. K. Kulkarni *	36.00
Mr. Anupam Puri	30.00
Mr. Vikram Singh Mehta	30.00
Dr. Vishakha N. Desai	36.00
Mr. S. B. Mainak ^ (Nominee of LIC)	27.00#
Mr. T. N. Manoharan	33.88

@ Ceased to be a Director with effect from 8th August, 2017.
 * The Commission was paid to Khaitan & Co., in which Mr. R. K. Kulkarni is a Partner.
 ^ Ceased to be a Director of the Company with effect from 11th May, 2018.
 # The Commission was paid to LIC.

A commission of Rs. 247.17 lakhs has been provided as payable to the Non-Executive Directors in the accounts for the year under review. Non-Executive Directors are also paid sitting fees of Rs. 1,00,000 each for every Meeting of the Board and Rs. 50,000 each for every Committee Meeting other than Stakeholders Relationship Committee. The sitting fees paid for every Meeting of Stakeholders Relationship Committee is Rs. 10,000 each for Non-Executive Director.

The sitting fees paid to Non-Executive Directors and the commission payable to them for the year ended 31st March, 2019 along with their respective shareholdings in your Company are as under:

Directors	Sitting Fees paid for the Board and Committee Meetings held during the year ended 31 st March, 2019 (Rs. in Lakhs)	Commission for the year ended 31 st March, 2019, provided as payable in the accounts of the Company for the year under review (Rs. in Lakhs)	No. of Ordinary (Equity) Shares held as on 31 st March, 2019
Mr. Nadir B. Godrej	14.00	30.00	11,50,372
Mr. M. M. Murugappan	10.50	36.00	2,00,000
Mr. R. K. Kulkarni *	15.20	36.00	1,67,976
Mr. Anupam Puri	7.50	30.00	Nil
Mr. Vikram Singh Mehta	14.00	30.00	20,000
Dr. Vishakha N. Desai	6.70	36.00	5,000
Mr. T. N. Manoharan	11.00	36.00	Nil
Mr. Vijay Kumar Sharma \$ (Nominee of LIC)	3.00^	10.21#	Nil
Mr. S. B. Mainak @ (Nominee of LIC)	—	2.96#	N.A.

* Sitting fees/commission were paid/is payable to Khaitan & Co., in which Mr. R. K. Kulkarni is a Partner.
 \$ Appointed as a Director w.e.f. 14th November, 2018.
 ^ Sitting fees upto 31st December, 2018 was paid to LIC.
 # Commission is payable to LIC.
 @ Ceased to be a Director of the Company with effect from 11th May, 2018.

The Non-Executive Directors were not granted stock options during the year under review.

C. Remuneration paid/payable to Executive Chairman and Managing Director (Whole-time Directors) for the year ended 31st March, 2019

Remuneration to the Whole-time Directors is fixed by GNRC which is subsequently approved by the Board of Directors and Shareholders at a General Meeting. Following is the remuneration paid/payable to the Whole-time Directors during the year ended 31st March, 2019:

Directors	(Rs. in Lakhs)					Contract Period
	Salary ¹	Commission	Company's Contribution to Funds ²	Perquisites and Allowances	Total	
Mr. Anand G. Mahindra (Executive Chairman)	364.49	445.62	52.87	4.03	867.01	12 th November, 2016 to 11 th November, 2021
Dr. Pawan Goenka (Managing Director)	387.70	483.89	55.88	291.75 @	1,219.22	12 th November, 2016 to 11 th November, 2020

1 Includes Privilege Leave Encashment.

2 Aggregate of the Company's contributions to Superannuation Fund and Provident Fund.

@ This includes Rs. 251.25 lakhs being perquisite value of ESOPs of the Company exercised during the year.

Notes:

a. Notice period applicable to each of the Whole-time Directors is six months.

b. Employee Stock Options and Commission are the only components of remuneration that are performance-linked. All other components are fixed.

D. The Stock Option granted to Directors, the period over which accrued and over which exercisable are as under:

Name of Directors (alongwith their Designation) to whom Stock Options have been granted	2000 Scheme							2010 Scheme		
	Options granted in December, 2001*	Options granted in June, 2005**	Options granted in October, 2005	Options granted in September, 2006	Options granted in July, 2007	Options granted in August, 2008	Options granted in September, 2012	Options granted in January, 2011	Options granted in August, 2015	Options granted in November, 2018
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Mr. Anand G. Mahindra Executive Chairman	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Pawan Goenka Managing Director	25,290	*7,500***	*15,000***	*11,345***	*12,543***	*37,336***	Nil	*71,080	1,12,743****	36,504
Mr. Nadir B. Godrej Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.
Mr. M. M. Murugappan Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.
Mr. R. K. Kulkarni Independent Director	20,000	*5,000	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.
Mr. Anupam Puri Independent Director	20,000	@ 5,000***	Nil	Nil	Nil	Nil	Nil	Nil	N.A.	N.A.
Dr. Vishakha N. Desai Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	20,000*****	N.A.	N.A.	N.A.
Mr. Vikram Singh Mehta Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	*10,000	N.A.	N.A.	N.A.
Mr. T. N. Manoharan Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Vijay Kumar Sharma [^] Non-Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	Nil

@ unexercised options lapsed.

[^] appointed w.e.f. 14th November, 2018

Options granted at a discount in	Vesting period	Exercise period	Exercise price
(1) December, 2001	Already vested in December, 2002	Within five years from the date of vesting	**Rs. 59 per share***
(2) June, 2005	Already vested in June, 2006	Within five years from the date of vesting	**Rs. 454 per share***
(3) October, 2005	Already vested in October, 2006	Within five years from the date of vesting	Rs. 361 per share***
(4) September, 2006	Four equal instalments in September, 2007, 2008, 2009 and 2010 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 616 per share***
(5) July, 2007	Four equal instalments in July, 2008, 2009, 2010 and 2011 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 762 per share***
(6) August, 2008	Four equal instalments in August, 2009, 2010, 2011 and 2012 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 500 per share***
(7) September, 2012	Four equal instalments in September, 2013, 2014, 2015 and 2016 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 662 per share
(8) January, 2011	Five equal instalments in January, 2012, 2013, 2014, 2015 and 2016 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share
(9) August, 2015	Four instalments in February, 2017, 2018, 2019 and 2020 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share
(10) November, 2018	Three instalments in November 2019, 2020 and 2021	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share

* All these Options have been exercised.

** The Options granted stand augmented by an equal number of Options and the Exercise Price stands reduced to half on account of the 1:1 Bonus Issue made in September, 2005.

*** Further, the number of Stock Options granted and outstanding as on 30th March, 2010, stand augmented by an equal number of Options and Exercise Price stands reduced to half on account of Sub-division of each Ordinary (Equity) Share of the Company having a Face Value of Rs. 10 each fully paid-up into 2 (Two) Ordinary (Equity) Shares of the Face Value of Rs. 5 each fully paid-up.

**** The Options granted and outstanding stand augmented by an equal number of Bonus Options on account of the 1:1 Bonus Issue made in December, 2017.

***** The Options granted and outstanding stand augmented by an equal number of Options and the Exercise Price stands reduced to half on account of the 1:1 Bonus Issue made in December, 2017.

III. RISK MANAGEMENT

Your Company has a well-defined risk management framework in place. The risk management framework works at various levels across the Company. These levels form the strategic defence cover of the Company's risk management. The Company has a robust organisational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee consisting of Board Members which is authorised to monitor and review Risk Management plan and risk certificate. The Committee is also empowered, *inter alia*, to review and recommend to the Board the modifications to the Risk Management Policy. Further, the Board has constituted a Corporate Risk Council comprising of the Senior Executives of the Company. The terms of reference of the Council comprise review of Risks and Risk Management Policy at periodic intervals.

The Risk Management Policy approved by the Board, *inter alia*, includes identification therein of elements of risk, including those which in the opinion of the Board, may threaten the existence of the Company. During the year under review, the Board based on the recommendations of Risk Management Committee and Audit Committee in view of amendments under the Listing Regulations,

amended the Risk Management Policy which now specifically covers Cyber Security and related risks.

The Risk Management process has been established across the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. Further, it is embedded across all the major functions and revolves around the goals and objectives of the Company.

IV. COMMITTEES OF THE BOARD

The Committees of the Board play an important role in the governance, focus on specific areas and make informed decisions within the delegated authority. Majority of the members constituting the Committees are Independent Directors and each Committee is guided by its Charter or Terms of Reference, which provides for the composition, scope, powers & duties and responsibilities. The recommendations, observations and decisions of the Committees are placed before the Board for information and approval. During the year under review, all recommendations of the Committees were accepted by the Board.

The Board has constituted the following mandatory and non-mandatory Committees:

A. Audit Committee

This Committee comprises of the following Directors viz. Mr. T. N. Manoharan (Chairman of the Committee), Mr. Nadir B. Godrej, Mr. M. M. Murugappan and Mr. R. K. Kulkarni. All the Members of the Committee are Independent Directors. All the Members of the Committee possess strong accounting and financial management knowledge. The Company Secretary is the Secretary to the Committee.

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the Act and Part C of Schedule II of the Listing Regulations. Besides having access to all the required information from within the Company, the Committee can obtain external professional advice whenever required. The Committee acts as a link between the Statutory and the Internal Auditors and the Board of Directors of the Company. It is authorised to, *inter alia*, review and monitor the Auditor's independence and performance, scope and effectiveness of audit process, oversight of the Company's financial reporting process and the disclosure of its financial information, review with the management the quarterly and annual financial statements and auditor's report before submission to the Board for approval, select and establish accounting policies, review Reports of the Statutory and the Internal Auditors and meet with them to discuss their findings, suggestions and other related matters, approve (wherever necessary) transactions of the Company with related parties including subsequent modifications thereof, grant omnibus approvals for related party transactions subject to fulfilment of certain conditions, scrutinise inter-corporate loans and investments, valuation of undertakings or assets of the Company, review the risk assessment and minimisation procedures, evaluate internal financial controls and risk management systems, monitor end use of the funds raised through public offers and related matters, etc.

The Committee is also empowered to, *inter alia*, recommend the remuneration payable to the Statutory Auditors, availing of such other services from the Auditors and to recommend a change in the Auditors, if felt necessary. Further, the Committee is empowered to recommend to the Board, the appointment of Chief Financial Officer, the term of appointment and remuneration of the Cost Auditor, Internal Auditor, etc., review the functioning of the Whistleblower Policy/Vigil Mechanism. The Committee also reviews Financial Statements and Investments of unlisted

subsidiary companies, Management Discussion & Analysis of financial condition and results of operations.

The Audit Committee has been granted powers as prescribed under Regulation 18(2)(c) of the Listing Regulations and reviews all the information as prescribed in Part C of Schedule II of the Listing Regulations. The Committee also reviews the Report on compliance under Code of Conduct for Prevention of Insider Trading adopted by the Company pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations"). Further, Compliance Reports under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Whistleblower Policy are also placed before the Committee.

During the year under review, the terms of reference of this Committee have been aligned with the changes made in the Listing Regulations based on the recommendations of the Uday Kotak Committee, including reviewing the utilization of loans and/ or advances from/ investment by the Company in the subsidiary companies exceeding Rs. 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/investments and review compliance with the PIT Regulations at least once in a financial year and verify that the systems for internal control are adequate and are operating effectively. The terms of reference are also in line with the regulatory requirements mandated in the Act.

The Meetings of the Audit Committee are also attended by the Executive Chairman, the Managing Director, the Group CFO & Group CIO, the President (Group M&A, Corporate Accounts & Group Secretarial), the Senior Vice President – Corporate Finance, the Statutory Auditors, the Chief Internal Auditor, the Controller of Accounts, the Managing Partner – Mahindra Partners & President (Group Legal) and the Company Secretary. The Cost Auditor also attends the Committee Meeting at which the Cost Audit Report(s) are considered.

As required under the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him on his behalf shall attend the General Meeting of the Company. Mr. T. N. Manoharan, Chairman of the Audit Committee, was present at the 72nd AGM of the Company held on 7th August, 2018 to address the Shareholders' queries pertaining to Annual Accounts of the Company.

The Committee met five times during the year under review on 28th May, 2018, 6th August, 2018, 13th November, 2018, 7th February, 2019 and 25th March, 2019. The gap between two Meetings did not exceed one hundred and twenty days. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. T. N. Manoharan (Chairman)	5
Mr. Nadir B. Godrej	5
Mr. M. M. Murugappan	5
Mr. R. K. Kulkarni	5

B. Governance, Nomination and Remuneration Committee

All Committee Members are Independent Directors including the Chairman. The Members are Mr. M. M. Murugappan (Chairman of the Committee), Mr. Nadir B. Godrej, Mr. R. K. Kulkarni and Mr. Vikram Singh Mehta. Mr. Anand G. Mahindra and Mr. Rajeev Dubey, Group President (HR & Corporate Services) & CEO (After-Market Sector) are permanent invitees to the Committee.

The Committee has been vested with the authority to, *inter alia*, recommend nominations for Board Membership, develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection to the Board with respect to the competencies, qualifications, experience, track record, integrity, establish Director retirement policies and appropriate succession plans and determine overall compensation policies of the Company.

The Committee also administers the Company's Employee Stock Option Schemes formulated from time to time including "Mahindra & Mahindra Limited Employees' Stock Option Scheme – 2000", "Mahindra & Mahindra Limited Employees Stock Option Scheme – 2010" and take appropriate decisions in terms of the concerned Scheme(s).

During the year under review, the terms of reference of this Committee have been aligned with the changes made in the Listing Regulations based on the recommendations of the Uday Kotak Committee. The terms of reference are also in line with the regulatory requirements mandated in the Act.

The scope of the Committee also includes review of market practices and deciding on remuneration packages applicable to the Chairman, Managing Director, the Executive Director(s), Group Presidents and other Members of Senior Management as may be decided

from time to time (including the Chief Financial Officer and Company Secretary).

In addition to the above, the Committee's role includes identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every Director's performance.

The Committee has also formulated the criteria for determining qualifications, positive attributes and independence of a Director and recommended to the Board a Policy relating to the remuneration for the Directors, Key Managerial Personnel and other Employees.

The Committee carries out a separate exercise to evaluate the performance of Individual Directors. Feedback is sought by way of structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The Board also evaluated fulfilment of the criteria of Independence by the Independent Directors as set out in the Listing Regulations and their independence from the Management. The performance evaluation is carried out based on the responses received from the Directors.

The performance evaluation of Independent Directors were based on various criteria, *inter alia*, including attendance at Board and Committee Meetings, skill, experience, ability to challenge views of others in a constructive manner, knowledge acquired with regard to the Company's business, understanding of industry and global trends, etc. During the year under review, the Committee ascertained and reconfirmed that the deployment of "questionnaire" as a methodology, is effective for evaluation of performance of Board and Committees and Individual Directors.

The Committee is also empowered to opine, in respect of the services rendered by a Director in professional capacity, whether such Director possesses requisite qualification for the practice of the profession.

As per section 178(7) of the Act and Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. M. M. Murugappan was present at the 72nd AGM of the Company held on 7th August, 2018.

The Committee met four times during the year under review on 28th May, 2018, 6th August, 2018, 13th November, 2018 and 25th March, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. M. M. Murugappan (Chairman)	4
Mr. Nadir B. Godrej	4
Mr. R. K. Kulkarni	4
Mr. Vikram Singh Mehta	4

C. Stakeholders Relationship Committee

The Company's Stakeholders Relationship Committee functions under the Chairmanship of Mr. R. K. Kulkarni, Independent Director. Mr. Anand G. Mahindra, Dr. Vishakha N. Desai and Dr. Pawan Goenka are the other Members of the Committee. Mr. Narayan Shankar, Company Secretary is the Compliance Officer of the Company.

The Committee meets, as and when required, to *inter alia*, deal with matters relating to transfer/transmission of shares, issue of duplicate share certificates, issue of new share certificates (including for transfer to Investor Education & Protection Fund as per the provisions of the Act and Rules framed thereunder), resolve the grievances of security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc., review of measures taken for effective exercise of voting rights by shareholders, review of adherence to the service standards adopted by the Company in respect of services being rendered by the Registrar & Transfer Agent, review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company. With a view to expedite the process of share transfers, necessary authority has been delegated to certain officers of the Company to approve the transfers of not more than 10,000 Ordinary (Equity) Shares per transfer, provided the transferee does not hold 2,00,000 or more Ordinary (Equity) Shares in your Company. The Committee is also authorised to approve request for transmission of shares and issue of duplicate share certificates.

The role and terms of reference of the Committee cover the areas as contemplated under Regulation 20 read with Part D of Schedule II of the Listing Regulations and

Financial Year	2014-15	2015-16	2016-17	2017-18	2018-19
Total No. of Complaints	14	19	17	34	47
No. of Shareholders as on 31 st March	1,71,208	1,66,742	1,85,882	2,50,395	3,54,817

There has been more than 100% increase in the number of shareholders over the last 5 years. Increase in number of complaints in last 2 years is primarily on account of non receipt of Bonus share certificates issued in the Financial Year 2017-18, transfer of shares to Investor Education and Protection Fund and increase in volume of demat requests on account of restriction on transfer of shares in physical mode.

Section 178 of the Act, as applicable, besides other terms as referred by the Board of Directors.

During the year under review, the terms of reference of this Committee have been aligned with the changes made in the Listing Regulations based on the recommendations of the Uday Kotak Committee.

As per section 178(7) of the Act and the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. R. K. Kulkarni was present at the 72nd AGM of the Company held on 7th August, 2018.

Apart from the Meeting(s), urgent business (including approvals for issue of duplicate Share Certificates) was transacted through Circular Resolution(s). Subsequently, these Resolution(s) are noted in the Meeting held after the date on which the Circular Resolution(s) is/are passed by the Members.

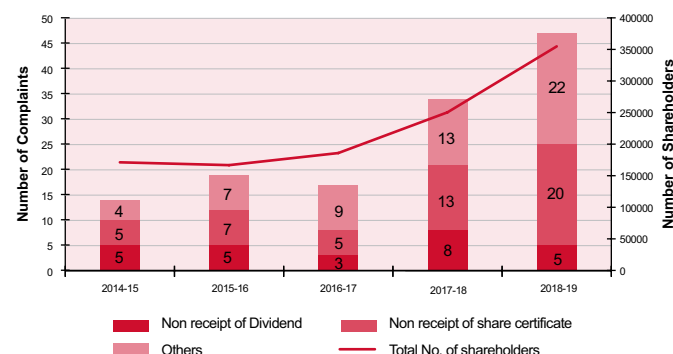
The Committee met twice during the year under review on 28th May, 2018 and 25th March, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. R. K. Kulkarni (Chairman)	2
Mr. Anand G. Mahindra	2
Dr. Pawan Goenka	2
Dr. Vishakha N. Desai	2

Details of Shareholders'/Investors' Complaints:

During the Financial Year ended 31st March, 2019, 47 complaints were received from shareholders, all of which have been attended/resolved to the satisfaction of the Shareholders. As of date, there are no complaints/ pending share transfers pertaining to the year under review.

Trend of Complaints and Number of Shareholders during last 5 years:



D. Corporate Social Responsibility Committee

Dr. Vishakha N. Desai, Independent Director is the Chairperson of the Committee. Mr. Anand G. Mahindra, Dr. Pawan Goenka, Mr. R. K. Kulkarni and Mr. Vikram Singh Mehta are the other Members of the Committee. Out of the total number of Members of the Committee, three are Independent Directors.

The Corporate Social Responsibility ("CSR") Committee is a Committee constituted by the Board with powers, *inter alia*, to make donations/contributions to any Charitable and/or CSR projects or programs to be implemented directly or through an executing agency or other Not for Profit Agency with minimum three years proven track record or through a Corporate Foundation or other reputed Non-Governmental Organisation, of at least two percent of the Company's average net profits during the three immediately preceding Financial Years in pursuance of its CSR Policy for the Company's CSR Initiatives.

The scope of functions of the Committee includes, *inter alia*, the formulation and recommendation to the Board for its approval and implementation, the Business Responsibility ("BR") Policy(ies) of the Company, undertake periodical assessment of the Company's BR performance, review the draft BR Report and recommend the same to the Board for its approval and inclusion in the Annual Report of the Company.

The role of this Committee also includes recommendation of the amount of expenditure to be incurred on the CSR activities as enumerated in Schedule VII of the Act and also referred to in the CSR Policy of the Company, as also to monitor the CSR Policy from time to time, etc.

During the year, the Annexure to the CSR Policy containing list of the CSR Projects (2018-19) was updated.

The CSR Policy for your Company as duly amended is available on the website of the Company at the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>.

The Committee met thrice during the year under review on 28th May, 2018, 13th November, 2018 and 22nd March, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Dr. Vishakha N. Desai (Chairperson)	3
Mr. Anand G. Mahindra	3
Dr. Pawan Goenka	3
Mr. R. K. Kulkarni	3
Mr. Vikram Singh Mehta	3

E. Risk Management Committee

Regulation 21 of the Listing Regulations mandates constitution of the Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and minimisation procedures and the Board shall be responsible for framing, implementing and monitoring the Risk Management Plan of the Company. The Board has constituted a Risk Management Committee. The Committee is headed by Dr. Pawan Goenka. The other Members are Mr. Nadir B. Godrej, Mr. M. M. Murugappan, Mr. R. K. Kulkarni and Mr. T. N. Manoharan.

During the year under review, the terms of reference of this Committee have been aligned with the changes made in the Listing Regulations based on the recommendations of the Uday Kotak Committee which now specifically covers Cyber Security and related risks.

The Committee met twice during the year under review on 13th November, 2018 and 25th March, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Dr. Pawan Goenka (Chairman)	2
Mr. Nadir B. Godrej	2
Mr. M. M. Murugappan	2
Mr. R. K. Kulkarni	2
Mr. T. N. Manoharan	2

F. Research & Development Committee (A voluntary initiative of your Company)

The Research & Development ("R&D") Committee, which was constituted by the Board in 1998, provides direction on the R&D mission and strategy and key R&D and technology issues. The Committee also reviews and makes recommendations on the skills and competencies required and the structure and the process needed to ensure that the R&D initiatives result in products that are in keeping with the business needs. Mr. M. M. Murugappan is the Chairman of the Committee. Mr. Anand G. Mahindra, Dr. Pawan Goenka and Mr. Nadir B. Godrej are the other Members of the Committee.

The Committee met twice during the year under review on 28th May, 2018 and 13th November, 2018. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. M. M. Murugappan (Chairman)	2
Mr. Anand Mahindra	2
Dr. Pawan Goenka	2
Mr. Nadir B. Godrej	2

G. Strategic Investment Committee (A voluntary initiative of your Company)

The Strategic Investment Committee is constituted by the Board with powers, *inter alia*, to evaluate and scrutinise significant investments/funding including but not limited to business acquisitions, reviewing and monitoring existing investments in subsidiaries, joint ventures and other group companies, overseeing and reviewing performance of various subsidiaries and making necessary recommendations to the Board from time to time including disinvestments. Mr. Anand G. Mahindra is the Chairman of the Committee. Mr. Nadir B. Godrej, Mr. Vikram Singh Mehta, Mr. Anupam Puri and Mr. T. N. Manoharan are other Members of the Committee.

The Committee met five times during the year under review on 28th May, 2018, 6th August, 2018, 13th November, 2018, 7th February, 2019 and 22nd March, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. Anand G. Mahindra (Chairman)	5
Mr. Nadir B. Godrej	5
Mr. Anupam Puri	5
Mr. Vikram Singh Mehta	5
Mr. T. N. Manoharan	5

H. Loans & Investment Committee (A voluntary initiative of your Company)

The Loans & Investment Committee is authorised to approve loans and investment, disinvestment, borrowing moneys and related aspects of fund management in accordance with the authority granted and the parameters prescribed by the Board with Mr. Anand G. Mahindra as the Chairman of the Committee and the other Members being Dr. Pawan Goenka, Mr. R. K. Kulkarni and Mr. Vikram Singh Mehta.

Apart from the Meetings, Circular Resolution(s) is/are passed by the Members after discussion over a conference call between the Directors. Subsequently, these Resolution(s) are noted in the Meeting held after the date on which the Circular Resolution(s) is/are passed by the Members.

The Committee met six times during the year under review on 23rd April, 2018, 28th May, 2018, 6th August, 2018, 13th November, 2018, 16th January, 2019 and 22nd March, 2019. The attendance at the Meetings was as under:

Members	Number of Meetings attended
Mr. Anand G. Mahindra (Chairman)	6
Dr. Pawan Goenka	6
Mr. R. K. Kulkarni	6
Mr. Vikram Singh Mehta	6

V. SUBSIDIARY COMPANIES

Regulation 16 of the Listing Regulations defines a "material subsidiary" to mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Under this definition, Mahindra & Mahindra Financial Services Limited (Listed), Ssangyong Motor Company (Listed in South Korea) and Mahindra Vehicle Manufacturers Limited (Unlisted) are material subsidiaries of the Company.

The subsidiaries of the Company function independently, with an adequately empowered Board of Directors and adequate resources. For more effective governance, the minutes of Board Meetings of subsidiaries of the Company are placed before the Board of Directors of the Company for their review at every quarterly Meeting.

In addition to the above, Regulation 24 of the Listing Regulations requires that at least one Independent Director on the Board of Directors of the listed entity shall be a Director on the Board of Directors of an unlisted material subsidiary, whether incorporated in India or not. For the purpose of this provision, material subsidiary means a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

There is no Subsidiary which falls under this definition of unlisted material subsidiary for the financial year ended 31st March, 2019.

The other requirements of Regulation 24 of the Listing Regulations with regard to Corporate Governance requirements for Subsidiary Companies have been complied with.

VI. DISCLOSURES

A. Policy for determining 'material' subsidiaries

Your Company has formulated a Policy for determining 'Material' Subsidiaries as defined in Regulation 16 of the Listing Regulations. During the year under review, the Policy was amended to align it with the changes made in the Listing Regulations based on the recommendations of the Uday Kotak Committee. This Policy has been posted on the website of the Company and can be accessed through the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>.

B. Policy on Materiality of and Dealing with Related Party Transactions

Your Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify the manner of entering into related party transactions. During the year under review, this Policy was also amended to align it with the changes made in the Listing Regulations based on the recommendations of the Uday Kotak Committee and with the regulatory requirements mandated in the Act. This Policy has also been posted on the website of the Company and can be accessed through the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>.

C. Disclosure of Transactions with Related Parties

During the Financial Year 2018-19, there were no materially significant transactions or arrangements entered into between the Company and its Promoters, Directors or their Relatives or the Management, Subsidiaries, etc. that may have potential conflict with the interests of the Company at large. Further, details of related party transactions are presented in Note No. 35 to Annual Accounts in the Annual Report.

D. Disclosure of Accounting Treatment in preparation of Financial Statements

The Company adopted Indian Accounting Standards ("Ind AS") from 1st April, 2016. Accordingly, the financial statements have been prepared in accordance with Ind AS as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under section 133 of the Act and other relevant provisions of the Act.

E. Code for Prevention of Insider Trading Practices

The Company has formulated and adopted the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' and 'Code of Conduct for Prevention of Insider Trading in Securities of Mahindra & Mahindra Limited' ("M&M Code of Conduct" or "the Code") in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations").

The Securities and Exchange Board of India (SEBI) on 31st December, 2018, notified amendments to the Regulations which have come into force from 1st April, 2019. In accordance with the amendments to the Regulation, the Company has amended the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' by incorporating 'policy for determination of Legitimate purpose', in it and have also made amendments to the M&M Code of Conduct at the Board Meeting held on 7th & 8th February, 2019. These codes were made effective from 1st April, 2019.

M&M Code of Conduct has been formulated to regulate, monitor and ensure reporting of trading by the Designated Persons and their immediate relatives towards achieving compliance with the Regulations and is designed to maintain the highest ethical standards of trading in Securities of the Company by persons to whom it is applicable. The Code lays down Guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with securities of the Company and cautions them of the consequences of violations.

F. Policy and procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information

Pursuant to the amendments made to the Regulations, the Company has formulated the 'Policy and procedure

for inquiry in case of leak / suspected leak of Unpublished Price Sensitive Information' ('UPSI'). The policy is formulated to maintain ethical standards in dealing with sensitive information of the Company by persons who have access to UPSI. The rationale of the policy is to strengthen the internal control systems to ensure that the UPSI is not communicated to any person except in accordance with the Insider Trading Regulations. The Policy also provides an investigation procedure in case of leak/suspected leak of UPSI.

G. Whistleblower Policy

The Vigil Mechanism as envisaged in the Act and the Rules prescribed thereunder and the Listing Regulations is implemented through the Whistleblower Policy. This Policy provides for adequate safeguards against victimisation of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee.

As such the Whistleblower Policy provides for protected disclosure and protection to the Whistleblower. Under the Vigil Mechanism, all Stakeholders have been provided access to the Audit Committee through the Chairperson. No personnel has been denied access to the Audit Committee. All Employees, Directors, Vendors, Suppliers or other Stakeholders associated with the Company can make the Protected Disclosure through an e-mail to whistleblower.mahindra@ethicshelpline.in or any other mechanism as prescribed in the Whistleblower Policy.

The Chairperson of the Audit Committee can be reached by sending an e-mail to chairpersonofauditcommittee@mahindra.com or by sending a letter to the below address:

Chairperson of the Audit Committee
Mahindra & Mahindra Limited
Mahindra Towers,
Dr. G. M. Bhosale Marg,
P. K. Kurne Chowk, Worli,
Mumbai – 400 018.

The Whistleblower Policy was amended in line with the amendments brought in through SEBI (Prohibition of Insider Trading) (Amendments) Regulations, 2018, enabling employees to report insider trading violations as well as reporting of instances of leak of Unpublished Price Sensitive Information.

The Whistleblower Policy of the Company is available on the website of the Company and can be accessed at the web link: <http://www.mahindra.com/resources/FY19/AnnualReport.zip>.

VII. MEANS OF COMMUNICATION

The Company recognizes the importance of two way communication with shareholders and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of your Company's corporate governance ethos.

Your Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website.

The unaudited quarterly results are announced within forty- five days of the close of each quarter, other than the last quarter. The audited annual results are announced within sixty days from the end of the financial year as required under the Listing Regulations. The aforesaid financial results are announced to the Stock Exchanges within the statutory time period from the conclusion of the Board Meeting(s) at which these are considered and approved.

Your Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part 'A' and Part 'B' of Schedule III of the Listing Regulations including material information having a bearing on the performance/ operations of the Company and other price sensitive information. All information is filed electronically on the online portal of BSE Limited – Corporate Compliance & Listing Centre (BSE Listing Centre) and on the online portal of National Stock Exchange of India Limited – NSE's Electronic Application Processing System (NEAPS).

Presentations are also made to international and domestic institutional investors and analysts. These presentations and other disclosures which are required to be disseminated on the Company's website under the Listing Regulations have been uploaded on the website of the Company, viz.: <http://www.mahindra.com> and as per the Archival Policy of the Company would be hosted on the website for a minimum period of five years from the date of respective disclosures. The Annual Report of the Company, the quarterly/half-yearly and the audited financial statements and the official news releases of the Company are also disseminated on the Company's website. The quarterly, half-yearly and yearly results are also published in Business Standard and Sakal which are national and local dailies respectively. These are not sent individually to the Shareholders.

The Investor Relations page of the Company's website provides more than 50 Frequently Asked Questions on various topics related to transfers and transmissions of shares, dematerialisation, nomination, change of address, loss of share certificates, dividend and sub-division of share certificates. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

The same can be accessed through the web link: <http://www.mahindra.com/investors/reports-and-presentations>.

Investor Services Web-based Query Redressal System

Members may utilise the facility extended by the Registrar and Transfer Agent for redressal of queries, by visiting <https://karisma.karvy.com/> and clicking on 'INVESTORS GRIEVANCE' option for query registration through free identity registration process.

Investors can submit their query in the option provided on the above website, which would generate a registration number. For accessing the status / response to the query submitted, the grievance registration number can be used at the option 'Track Complaints' on right hand corner under 'INVESTORS GRIEVANCE' option after 24 hours. Investors can continue to put an additional query, if any, relating to the grievance till they get a satisfactory reply.

Investors can provide their feedback on the services provided by the Company and its Registrar and Transfer Agent by filling the Shareholder Satisfaction Survey form available in Investor Relations page on website of the Company at the web link: <http://www.mahindra.com/investors/reports-and-presentations>

KPRISM- Mobile service application by Karvy

Members are requested to note that Karvy Fintech Private Limited (Karvy) is soon launching a mobile application - KPRISM and a website <https://kprism.karvy.com> for online service to shareholders.

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

VIII. GENERAL SHAREHOLDER INFORMATION

1. 73rd Annual General Meeting

Date : 7th August, 2019

Time : 3:00 p.m.

Venue : Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020.

2. Financial Year of the Company

The financial year covers the period from 1st April to 31st March.

3. Date of Book Closure and Dividend Payment Date

Book Closure for Dividend will be from Saturday, 20th July, 2019 to Wednesday, 7th August, 2019, both days inclusive and the Dividend would be paid after 7th August, 2019.

4. Listing of Ordinary (Equity) Shares, Debentures on Stock Exchanges and Stock Code

Your Company's Ordinary (Equity) Shares are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE). The Global Depository Receipts (GDRs) of your Company are listed on the Luxembourg Stock Exchange and are also admitted for trading on International Order Book (IOB) of the London Stock Exchange. The requisite listing fees have been paid in full to all these Stock Exchanges.

The Company's privately placed Non-Convertible Debentures of Rs. 500 crores and of Rs. 475 crores are listed on the Debt Segment of BSE.

Name and Address of the Exchanges	Type of Security/ Scrip Code	International Securities Identification Number (ISIN)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.	Ordinary (Equity) Shares/500520	INE101A01026
National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.	Ordinary (Equity) Shares/M&M	
Bourse de Luxembourg Societe de la Bourse de Luxembourg, Societe Anonyme/R.C.B. 6222, B.P. 165, L-2011, Luxembourg.	Global Depository Receipts (GDRs)	USY541641194
London Stock Exchange Plc, 10, Paternoster Square, London - EC4M 7LS.	GDRs/MHID	–
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001.	Non-Convertible Debentures/ 949342/Scrip ID: 955MML2063	INE101A08070
	Non-Convertible Debentures/ 954977/Scrip ID: 757MML26	INE101A08088

5. List of all Credit Ratings obtained by the Company along with revisions for the FY 2018-19

The credit ratings obtained by the Company along with revisions, if any, thereto during the Financial Year 2018-19, for all the debt instruments, fixed deposit programme, any scheme or proposal of the Company involving mobilization of funds, in India or abroad are given below:

Instrument Details	Rating(s)			
	CARE	CRISIL	ICRA	Indian Ratings & Research
Non-Convertible Debentures	–	CRISIL AAA/Stable	[ICRA] AAA (Stable)	IND AAA/Stable
Bank Facilities – Long Term	CARE AAA/Stable	CRISIL AAA/Stable	[ICRA] AAA (Stable)	IND AAA/Stable
Bank Facilities – Short Term	CARE A1+	CRISIL A1+	[ICRA] A1+	IND A1+
Commercial Paper (CP)	–	CRISIL A1+	–	–

6. Corporate Identity Number: L65990MH1945PLC004558

7. Registered Office Address

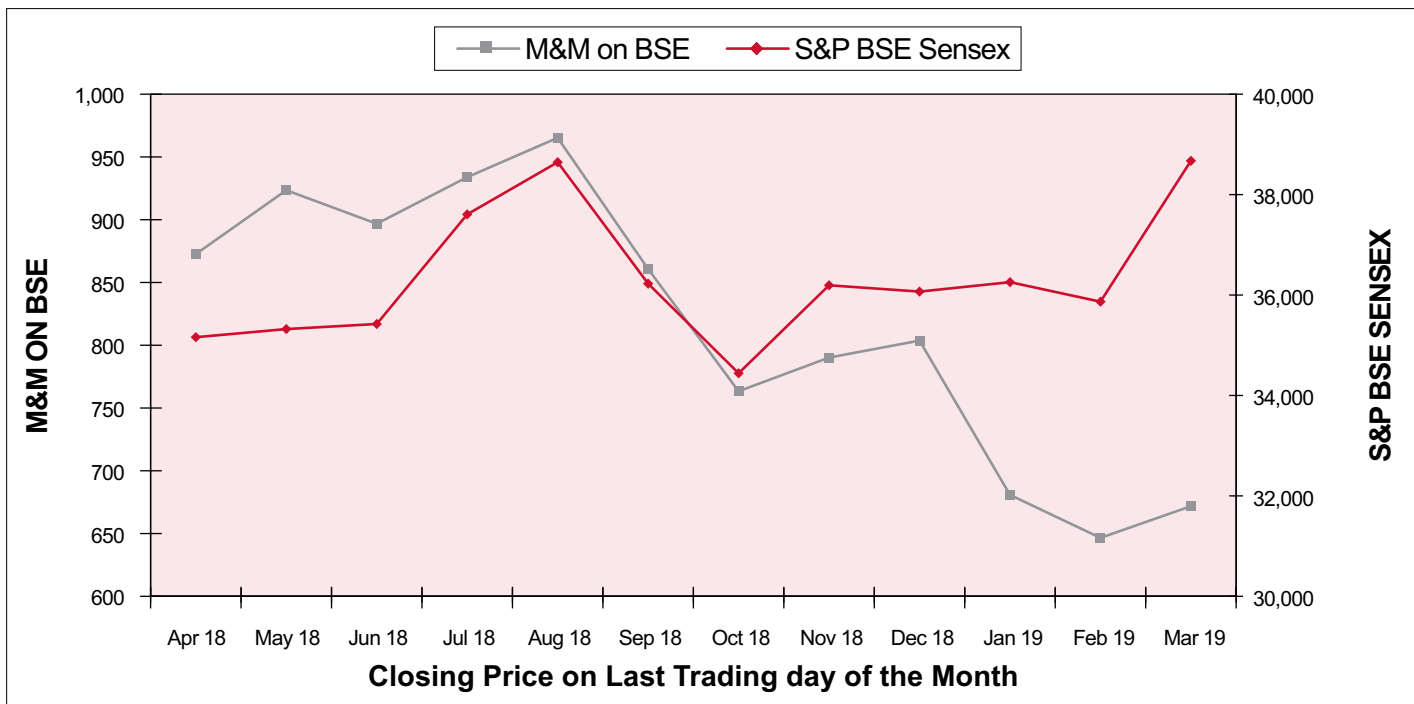
Mahindra & Mahindra Limited
 Gateway Building, Apollo Bunder,
 Mumbai – 400 001.

8. Stock Price Data

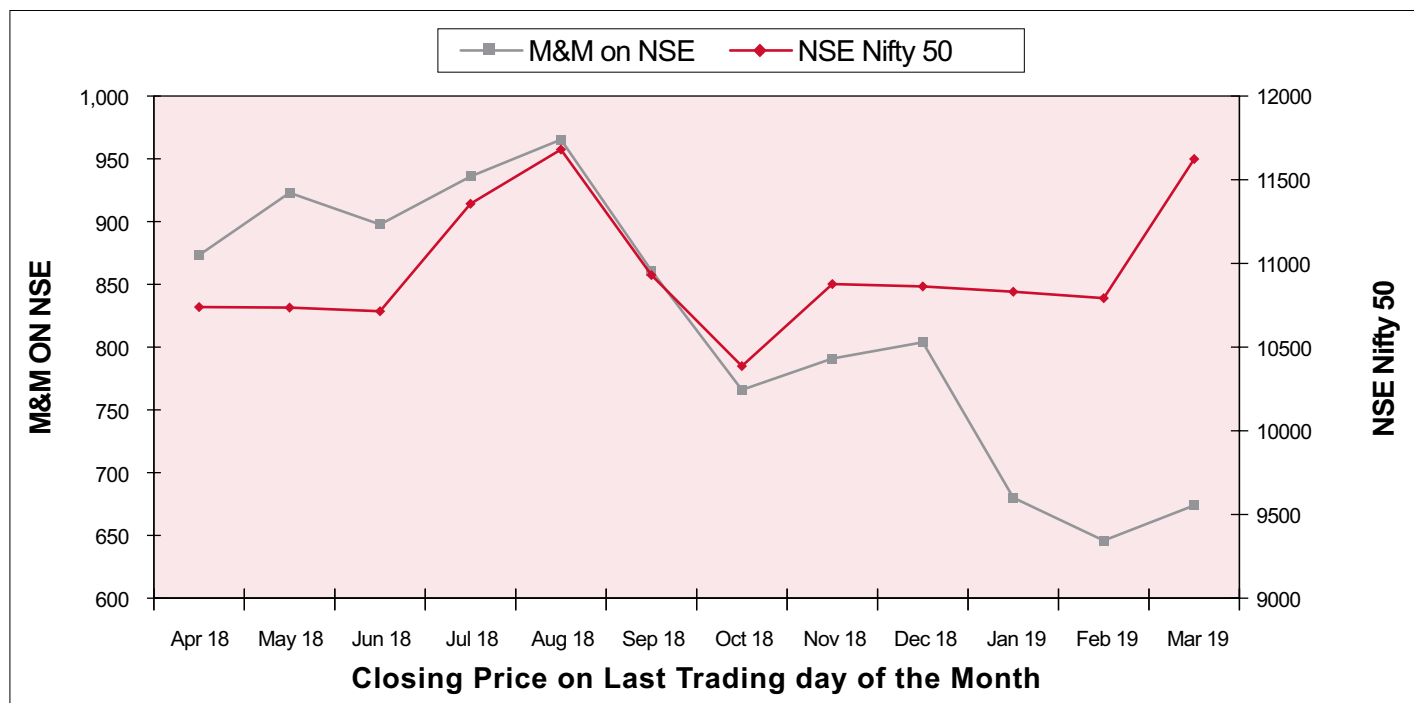
Month	Equity Shares				GDRs	
	BSE Limited		National Stock Exchange of India Limited		Luxembourg Stock Exchange	
	High	Low	High	Low	High	Low
	Rs.	Rs.	Rs.	Rs.	US\$	US\$
April, 2018	878.40	738.20	878.95	737.20	13.15	11.60
May, 2018	932.45	813.00	933.50	812.25	13.70	12.10
June, 2018	927.75	874.55	927.95	874.10	13.75	13.00
July, 2018	940.95	878.60	941.80	878.65	13.65	12.85
August, 2018	992.00	910.00	993.00	910.05	14.05	13.25
September, 2018	978.00	840.00	977.65	839.55	13.60	11.80
October, 2018	863.70	715.15	864.45	715.00	11.70	9.76
November, 2018	808.00	738.15	807.70	738.10	11.35	10.30
December, 2018	814.00	695.20	814.00	694.00	11.55	9.82
January, 2019	813.95	662.00	805.85	661.60	10.55	9.38
February, 2019	715.00	615.75	715.40	615.60	9.82	8.74
March, 2019	703.80	642.00	704.20	641.00	10.05	9.08

9. Stock Performance

The performance of your Company's shares relative to the S&P BSE Sensitive Index is given in the chart below:



The performance of your Company's shares relative to the Nifty 50 Index is given in the chart below:



10. Registrar and Transfer Agents

Karvy Fintech Private Limited
Unit: Mahindra & Mahindra Limited
Karvy Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District, Nanakramguda,
Hyderabad, Telangana - 500 032, India.
Tel. No. : +91 40 6716 2222
Fax : +91 40 2342 0814
Email : einward.ris@karvy.com
Website : www.karvyfintech.com
Toll Free No. : 1800 3454 001.

Pursuant to the Order of the Hyderabad Bench of the National Company Law Tribunal (NCLT Order), the operations of Karvy Computershare Private Limited, the Share Transfer Agents of the Company (KCPL) have been transferred to Karvy Fintech Private Limited with effect from 17th November, 2018.

Accordingly, Karvy Fintech Private Limited acts as the Share Transfer Agents of the Company.

11. Share Transfer System

Trading in Ordinary (Equity) Shares of the Company through recognized Stock Exchanges is permitted only in dematerialised form.

The Stakeholders Relationship Committee meets as and when required to, *inter alia*, consider the transfer proposals, issue of duplicate share certificates and attend to Shareholders' grievances, etc.

Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 was amended vide Gazette notification dated 8th June, 2018 mandating transfer of securities in dematerialized form only on and after 5th December, 2018. Further, SEBI has extended the date for transfer of securities in physical form to 31st March, 2019 vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018.

According to the said Notification dated 30th November, 2018 requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with the depository with effect from 1st April, 2019. However, this restriction shall not be applicable to the request received for effecting transmission or transposition of physical shares.

The shareholders holding shares in physical form are requested to get their shares dematerialized at the earliest to avoid any inconvenience in future while

transferring the shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account or alternatively, contact the nearest branch of Karvy to seek guidance in the demat procedure. The shareholders may also visit web site of depositories viz. National Securities Depository Limited viz. <https://nsdl.co.in/faqs/faq.php> or Central Depository Services (India) Limited viz. <https://www.cdslindia.com/investors/open-demat.aspx> for further understanding of the demat procedure.

12. Distribution of Shareholding as on 31st March, 2019

Number of Shares held	Number of Shareholders*	Number of Shares held	% of Shareholding
1 to 1,000	3,48,210	3,43,23,232	2.76
1,001 to 2,000	8,425	1,23,66,528	0.99
2,001 to 10,000	8,080	3,38,81,984	2.73
10,001 to 20,000	1,054	1,49,13,992	1.20
20,001 and above	1,575	1,14,77,06,808	92.32
Total	3,67,344	1,24,31,92,544	100.00

* Without consolidating the folios on the basis of PAN

13. Dematerialisation of Shares and Liquidity

99.50% of the paid-up Ordinary (Equity) Share Capital of your Company is held in a dematerialised form with National Securities Depository Limited and Central Depository Services (India) Limited as on 31st March, 2019. The market lot of the Share of your Company is one Share, as the trading in the Equity Share of your Company is permitted only in dematerialised form. The Non-Promoters' holding as on 31st March, 2019 is around 79.56% and the stock is highly liquid.

14. Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

6,17,40,932 GDRs were outstanding as on 31st March, 2019. Since the underlying Ordinary (Equity) Shares represented by GDRs have been allotted in full, the outstanding GDRs have no impact on the Equity of the Company. There are no other convertible instruments outstanding as on 31st March, 2019.

15. Commodity price risk or Foreign Exchange Risk & hedging activities

The year under review saw firming up of commodity prices led by increase in crude oil, on the back of benign commodity prices in the previous year. The commodities like Steel saw sharp increases on

account of rise in international prices, supported by antidumping and safeguard measures. The uptrend in commodities is expected to moderate in the coming Financial Year.

Your Company continues to watch the market situation closely and continues to focus on mitigating the inflationary impact through "Commodity Risk Management" and other cost reduction measures. Hedging of commodities as a part of "Commodity Risk Management" as well as Foreign Exchange and Commodity price risks are being governed in accordance with the Foreign Exchange Risk Management Policy and Commodity

Risk Management Policy, approved by the Board of Directors of your Company.

The details of Foreign Exchange hedging activities undertaken by the Company is disclosed in Note No. 34 to the Annual Accounts of the Annual Report.

Disclosures regarding commodity price risk and hedging activities, the details of exposure of the Company to material commodities and risks faced by it throughout the year as mandated by Regulation 34(3) read with clause 9(n) of Part C of Schedule V of the Listing Regulations and SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018, is as follows:

(a) Total exposure of the listed entity to commodities in INR: **Rs. 8,420 crores**

(b) Exposure of the listed entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity (Rs. in crores)	Exposure in Quantity terms towards the particular commodity (in tons)	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
Flat Steel (Sheet Metal)	4,231	8,46,123	Nil	Nil	Nil	Nil	Nil
Casting	1,726	5,39,523	Nil	Nil	Nil	Nil	Nil
Alloy Steel (Forging)	2,463	4,32,183	Nil	Nil	Nil	Nil	Nil

(c) Commodity risks faced by the listed entity during the year and how they have been managed:

The commodity risks on above commodities are mitigated through close monitoring of commodity movements and mitigation measures like value engineering yielding significant cost reduction.

16. Plant Locations

Your Company's manufacturing facilities are located at Kandivali, Nashik, Igatpuri, Nagpur, Chakan, Zaheerabad, Jaipur, Rudrapur, Haridwar, Mohali and Pithampur.

for all matters relating to transfer/dematerialisation of shares, payment of dividend and any other query relating to Equity Shares of your Company.

The Registrar and Transfer Agents also have an Office at:

Karvy Fintech Private Limited
24-B, Raja Bahadur Mansion,
Ground Floor,
Ambala Doshi Marg,
Behind BSE, Fort,
Mumbai 400 023.
Tel. No.: +91 22 6623 5454/412/427.

17. Address for correspondence

Shareholders may correspond with the Registrar and Transfer Agents at:

Karvy Fintech Private Limited
Unit: Mahindra & Mahindra Limited
Karvy Selenium Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad,
Telangana – 500 032, India.
Tel. No. : +91 40 6716 2222
Fax No. : +91 40 2342 0814
Email : einward.ris@karvy.com
Website : www.karvyfintech.com
Toll Free No. : 1800 3454 001

Your Company has also designated investors@mahindra.com as an exclusive email ID for Investors for the purpose of registering complaints and the same has been displayed on the Company's website. Karvy Fintech Private Limited also acts as Registrar and Transfer Agents for the Listed Non-Convertible Debentures of the Company.

Security holders would have to correspond with the respective Depository Participants for Securities held in dematerialised form for transfer/transmission of Shares, change of Address, change in Bank details, etc.

For all investor related matters, the Company Secretary & Compliance Officer can also be contacted at:

Mahindra Towers,
5th Floor, Dr. G. M. Bhosale Marg,
Worli, Mumbai – 400 018.
Tel. No. : +91 22 2490 5812 / 2490 5957
Email: investors@mahindra.com

Your Company can also be visited at its website:
<http://www.mahindra.com>.

18. Address for correspondence with Debenture Trustee

Axis Trustee Services Limited
The Ruby, 2nd Floor,
SW, 29 Senapati Bapat Marg,
Dadar West,
Mumbai – 400 028.
Tel. No. : +91 22 6230 0451
Fax No. : +91 22 6230 0700
E-mail : debenturetrustee@axistrustee.com;
complaints@axistrustee.com.

19. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

The Company had allotted Bonus Ordinary (Equity) Shares of Rs. 5 each to its shareholders on 26th December, 2017 and posted share certificates towards Bonus entitlement to those shareholders who were holding shares in physical form as on the Record Date.

As per Regulation 39(4) read with Schedule VI of the Listing Regulations, all shares issued pursuant to any issue which remain unclaimed shall be transferred by the Company to “Unclaimed Suspense Account”.

The Company has sent three reminders to the shareholders whose share certificates were returned undelivered. After processing of the valid claims received for release of undelivered Bonus Share Certificates, there were 2,547 shareholders whose 6,07,904 Bonus Shares in the aggregate were liable to be transferred to M&M Suspense Account. Pursuant to Schedule VI, these 6,07,904 unclaimed Bonus shares were transferred to M&M Suspense Account on 28th November, 2018.

Details in respect of Equity Shares lying in the Suspense Account:

Particulars	Physical	
	Number of Shareholders	Number of Equity Shares
Aggregate Number of shareholders and the outstanding shares in the Suspense Account lying as on 1 st April, 2018	0	0
Aggregate Number of shareholders and the outstanding shares transferred in the Suspense Account on 28 th November, 2018	2,547	6,07,904
Number of shareholders who approached the Company for transfer of shares from Suspense Account during the year*	12	12,800
Number of shareholders to whom shares were transferred from suspense account during the year	12	12,800
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2019	2,535	5,95,104

* Only valid request are considered.

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

20. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

21. Details of non-compliance, etc.

Your Company has complied with all the requirements of regulatory authorities. During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets. The Company has also complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in Part ‘C’ of Schedule V of the Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) in the respective places in this Report.

22. Unclaimed Dividend and shares transferred to Investor Education and Protection Fund (“IEPF”)

In accordance with the provisions of sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules,

2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the company to the Investor Education and Protection Fund ("IEPF").

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the Rules.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisement.

Further, pursuant to SEBI circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 ('Circular'), the dividend processing bank needs to ensure that any dividend instrument (such as Demand Drafts / Warrants etc.) lying unpaid beyond the validity period of the instrument shall be cancelled and the unpaid dividend amount is credited back to the relevant dividend bank account of the issuer company.

In pursuance to the above, the dividend processing Bank has reversed the demand drafts pertaining to the dividend for the Financial Years 2005-06 to 2009-10, lying un-encashed beyond the validity period of the demand drafts. The Company has transferred such unclaimed dividend amount to IEPF on 14th March, 2019.

Pursuant to IEPF Rules, given below are the Ordinary (Equity) Shares transferred to IEPF Authority:

Particulars	Number of shares transferred to IEPF
Transferred to IEPF during the year 2017-18	11,00,234
Bonus shares credited to IEPF on 26-12-2017	11,00,234
Transferred to IEPF during the year 2018-19	61,352
Total number of shares held by IEPF as on 31 st March, 2019	22,61,820

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company <http://www.mahindra.com/contact-us>

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 7th August, 2018 on the Company's website at the web link: <http://www.mahindra.com/investors/reports-and-presentations> and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in/.

The details of Dividend remitted to IEPF during the year:

Financial Year	Dividend declared on	Amount transferred to IEPF (in Rs.)	Date of transfer to IEPF
2010-11	8 th August, 2011	2,14,70,230.00	24 th September 2018
2005-06	26 th July 2006	9,60,045.00	14 th March, 2019 (Reversal of un-encashed demand drafts as mentioned above)
2006-07 (Interim dividend)	21 st March 2007	6,92,268.75	
2006-07 (Final dividend)	30 th July 2007	4,07,254.00	
2007-08	30 th July 2008	13,12,811.75	
2008-09	30 th July 2009	10,26,665.00	
2009-10	28 th July 2010	3,078.00	
2017-18*	7 th August, 2018	1,65,03,510.00	8 th August, 2018

* Dividend on shares which are already transferred to IEPF.

Shares transferred/ credited to IEPF

Pursuant to IEPF Rules, during the year 2017-18, the Company transferred 11,00,234 Ordinary (Equity) Shares to IEPF Authority.

The Company had issued Bonus Shares in the proportion of 1:1, i.e. 1 (One) Bonus Ordinary (Equity) Share of Rs. 5 each for every 1 (One) fully paid-up Ordinary (Equity) Share of Rs. 5 each held as on the Record Date. Accordingly, 11,00,234 Bonus Ordinary (Equity) Shares were credited to the demat account of IEPF Authority.

During the year 2018-19, the Company transferred 61,352 Ordinary (Equity) Shares to IEPF Authority. The IEPF Authority holds 22,61,820 Ordinary (Equity) Shares in the Company as on 31st March, 2019.

The following table provides dates on which unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF:

Year	Date of declaration of dividend	Due date for transfer to IEPF	Amount (Rs.) (As on 31 st March, 2019)
2011-12	8 th August, 2012	7 th September, 2019	23,127,339.00
2012-13	13 th August, 2013	12 th September, 2020	23,870,535.00
2013-14	8 th August, 2014	8 th September, 2021	33,871,040.00
2014-15	7 th August, 2015	9 th September, 2022	23,648,568.00
2015-16	10 th August, 2016	9 th September, 2023	33,023,544.00
2016-17	4 th August, 2017	3 rd September, 2024	32,614,452.00
2017-18	7 th August, 2018	6 th September, 2025	28,623,292.50

IX. OTHER DISCLOSURES

1. Compliance with Mandatory requirements

Your Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

2. Compliance with Non-mandatory requirements: Unmodified Audit Opinion

During the year under review, there is no audit qualification in your Company's standalone financial statements. Your Company continues to adopt best practices to ensure regime of financial statements with unmodified audit qualifications.

3. Details of utilization of funds of Preferential Allotment/QIP

The Company has not raised funds through Preferential Allotment/QIP during the year under review.

4. Certificate from Company Secretary in Practice regarding Non-Debarment and Non-Disqualification of Directors

A certificate from Company Secretary in Practice certifying that none of the Directors on the Board of the Company as on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such Statutory Authority, is annexed at the end of this Report.

5. Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries

Total fees paid by the Company and its Subsidiaries on a consolidated basis, to the Statutory Auditor viz. B S R & Co. LLP, Chartered Accountants, Firm Registration No. 101248W/W-100022 and all entities in the network firm/network entity of which the Statutory Auditors is a part, are as follows:

(Rs. in Crores)

Particulars	Amount
Audit Fees	6.58
Other Services	3.03
Reimbursement of expenses	0.27
Total	9.88

6. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Financial Year 2018-19 is as under:

(a) Number of complaints filed during the financial year under review	: 4
(b) Number of complaints disposed of during the financial year under review	: 4
(c) Number of complaints pending as on end of the financial year	: NIL

7. Disclosure in relation to recommendation made by any Committee which was not accepted by the Board:

During the year under review, there were no such recommendations made by any Committee of the Board that were mandatorily required and not accepted by the Board.

X. GENERAL BODY MEETINGS

Details of General Meetings and Special Resolutions passed

AGM held during the past 3 years and the Special Resolutions passed therein:

Year	Date	Time	Special Resolutions passed
2016	10 th August, 2016	3:00 p.m.	1. Borrow by way of securities including but not limited to secured/unsecured redeemable Non-Convertible Debentures and/or Commercial Paper to be issued under Private Placement basis upto Rs. 5,000 crores.
			2. Approval for change in the place of keeping the Registers and Index of Members, Debenture Holders and other security holders, if any, and copies of Annual Returns of the Company.
2017	4 th August, 2017	3:00 p.m.	1. Appointment of Mr. Anand G. Mahindra as Executive Chairman for a period of 5 years with effect from 12 th November, 2016 upto and including 11 th November, 2021 and approval of remuneration payable to him.
			2. Appointment of Dr. Pawan Goenka as Managing Director for a period of 4 years with effect from 12 th November, 2016 upto and including 11 th November, 2020 and approval of remuneration payable to him.
			3. Borrow by way of securities including but not limited to secured/unsecured redeemable Non-Convertible Debentures and/or Commercial Paper to be issued under Private Placement basis upto Rs. 5,000 crores.
2018	7 th August, 2018	3:00 p.m.	1. Re-appointment of Mr. M. M. Murugappan as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of two consecutive years commencing from 8 th August, 2018 to 7 th August, 2020.
			2. Re-appointment of Mr. Nadir B. Godrej as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of two consecutive years commencing from 8 th August, 2018 to 7 th August, 2020.
			3. Borrow by way of securities including but not limited to secured/unsecured redeemable Non-Convertible Debentures to be issued under Private Placement basis upto Rs. 5,000 crores.

The above Meetings were held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020.

No Extraordinary General Meeting was held during the past 3 years. No Special Resolution(s) requiring a Postal Ballot was passed last year or is being proposed at the ensuing AGM.

DECLARATION UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members of Mahindra & Mahindra Limited

I, Anand G. Mahindra, Executive Chairman of Mahindra & Mahindra Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2019.

Mumbai, 29th May, 2019

Anand G. Mahindra
Executive Chairman

CERTIFICATE

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To the Members of
Mahindra & Mahindra Limited**

1. This certificate is issued in accordance with the terms of our engagement letter dated 22 August 2017 and 21 September 2018.
2. This report contains details of compliance of conditions of corporate governance by Mahindra & Mahindra Limited ('the Company') for the year ended 31 March 2019 as stipulated in regulations 17-27, clause (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the National Stock Exchange Limited and the Bombay Stock Exchange Limited (collectively referred to as the 'Stock exchanges').

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The compliance with the terms and conditions contained in the corporate governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of corporate governance as stipulated in Listing Regulations for the year ended 31 March 2019.
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

Jamil Khatri
Partner

Mumbai
29 May 2019

Membership No: 102527
UDIN:19102527AAAAAC6753

CERTIFICATE

[Pursuant to Regulation 34(3) and sub-clause (i) of clause (10) of Paragraph C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Mahindra and Mahindra Limited
Gateway Building, Apollo Bunder,
Mumbai – 400 001

I have examined the relevant registers, returns and records maintained by Mahindra and Mahindra Limited (“the Company”) having CIN L65990MH1945PLC004558 and registered office at Gateway Building, Apollo Bunder, Mumbai – 400 001, forms and disclosures received from the Directors of the Company, produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with sub-clause (i) of clause (10) of Paragraph C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors’ Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its Officers, I certify that none of the Directors on the Board of the Company for the Financial year ended on March 31, 2019 has been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory Authority.

Ensuring eligibility for appointment / continuity of every director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Pune
Date: 29 May, 2019

Signature:

CS SACHIN BHAGWAT
Membership No.: A 10189
C. P. No.: 6029



**BUSINESS
RESPONSIBILITY
REPORT**

Business Responsibility Report

for the Financial Year 2018-19

[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Section A: General Information about the Company

1. Corporate Identity Number : L65990MH1945PLC004558 (CIN) of the Company
2. Name of the Company : Mahindra & Mahindra Limited
3. Registered address : Gateway Building, Apollo Bunder, Mumbai - 400001
4. Website : <https://www.mahindra.com>
5. Email ID : investors@mahindra.com
6. Financial Year reported : 01.04.2018 to 31.03.2019
7. Sector(s) that the Company is engaged in (industrial activity code-wise):

Description	Industrial Activity Code		
	Group	Class	Sub-class
Automotive	291	2910	29101, 29102, 29103, 29104, 29109
Farm Equipment	282	2821	28211, 28212
Truck and Bus	282	2824	28243

8. List three key products/services that the Company manufactures/provides (as in balance sheet):
 - i. Passenger Vehicles (Utility Vehicles, Multi Purpose Vehicles and Cars)
 - ii. Commercial Vehicles
 - iii. Tractors
9. Total number of locations where business activity is undertaken by the Company:
 - (a) Number of International Locations: 0
 - (b) Number of National Locations: 49
10. Markets served by the Company – Local/State/ National/International: All

Section B: Financial Details of the Company

Paid up Capital (INR)	:	621.60 crores
Total Turnover (INR)	:	53,614.00 crores
Total profit after taxes (INR)	:	4,796.04 crores
Total Spending on Corporate Social Responsibility (CSR) (INR) as percentage of profit after tax (%)	:	93.50 crores As per section 135 of the Companies Act, 2013, the CSR spend is 2.00% of average net profits of the preceding three financial years
List of activities in which expenditure in 4 above has been incurred	:	(a) Education (b) Health (c) Environment & Green Cover (d) Rural Development

Section C: Other details

1. Does the Company have any Subsidiary Company/ Companies?

Yes, the Company has 179 Subsidiary Companies as on March 31, 2019.
2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

Yes. Last year the Company had released its Integrated Report conforming to reporting frameworks viz. International Integrated Reporting Council and also Sustainability Report as per GRI Standards – Core Option. The Sustainability Report was externally assured by DNV-GL. The Company has a Code of Conduct for Employees and Directors as well as a set of Governance Policies. This Code is followed by the Subsidiary Companies also with modifications depending on the business requirement.

For the year 2018-19, Sustainability initiatives have been implemented at 17 subsidiaries viz.:

 1. Mahindra Vehicle Manufacturers Limited
 2. Mahindra Electric Mobility Limited
 3. Mahindra Agri Solutions Limited
 4. Mahindra EPC Irrigation Limited
 5. Mahindra Lifespace Developers Limited
 6. Mahindra World City Developers Limited
 7. Mahindra World City (Jaipur) Limited
 8. Mahindra Holidays & Resorts India Limited
 9. Mahindra & Mahindra Financial Services Limited
 10. Mahindra Rural Housing Finance Limited

11. Mahindra Insurance Brokers Limited
 12. Mahindra First Choice Services Limited
 13. Mahindra Intertrade Limited
 14. Mahindra Steel Service Centre Limited
 15. Mahindra Logistics Limited
 16. Mahindra Heavy Engines Limited
 17. Mahindra Susten Private Limited
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

The Company has long lasting relationships with its suppliers. A majority of supplier base has been already covered by conducting awareness sessions on 'sustainability'. From F14 a special drive for awareness to suppliers was started and we had covered 428 suppliers till F16. A road map for covering additional 375 suppliers from F17 in the next 3 years' period was put in place and actions were already underway to cover suppliers from Mahindra Trucks and Buses Division (MTBD), Mahindra Two Wheelers Limited (MTWL), Swaraj Division (SD) and Construction Equipment Division (CED). In F17, 145 suppliers were covered by conducting two online training sessions. In continuation, in F18 additional 200 suppliers participated in training & awareness programs through online and classroom sessions. In F19 another 193 participants attended the same, thus totalling to 538 Suppliers till F19 in last 3 years. In addition to this since F17, we supported Institute for Sustainable Communities (ISC) to launch EHS+ Centre at Symbiosis Institute of International Business, Pune. This centre is poised to provide training to Small & Medium Scale Enterprises (SMSEs) in the field of Energy and Environment Health & Safety (EHS). A detailed curriculum was jointly prepared and training was imparted. In F18, 35 courses were developed and trainings were imparted to 779 participants, in continuation in F19 trainings were imparted to 1180 participants, thus totalling to 55 courses and 2,978 participants trainings in last three years for Indian industries.

For enhancing skills at the Supplier end, focused activities drive in the following areas was undertaken and organization work structure for the same has been put in place in the Purchasing group for last few years. The areas covered are supplier business capability building (93 suppliers), Mahindra supplier evaluation standard (121 suppliers), Supply Risk Mitigation & Management (312 suppliers).

About 380 Suppliers have actively participated in Annual Supplier meets in F19.

In F16 "Msetu" an IT platform was launched through which technology has been leveraged to interact with Supplier Partners. 100% Suppliers are live on this interactive platform.

The % of entities covered is now more than 60% for Suppliers in above initiatives.

As regards SD (Swaraj Division), Training & Awareness of 152 suppliers have already been done till F19.

Similarly, 264 Dealers out of 312 have taken part in sustainability drive via Mahindra Dealers Excellency Programme (MDEP), this amounts to 84% of the total dealers.

Section D: BR Information

1. Details of Director/Directors responsible for BR

- a) Details of the Director/Director responsible for implementation of the BR policy/policies

DIN Number	: 00254502
Name	: Dr. Pawan Kumar Goenka
Designation	: Managing Director

- b) Details of the BR Head

Sr. No.	Particulars	Details
1.	DIN Number (If applicable)	NA
2.	Name	Mr. Rajeev Dubey
3.	Designation	Group President (HR & Corporate Services) & CEO (After-Market Sector) Member of the Group Executive Board
4.	Telephone Number	+9122 24975192 +9122 24901441 Extn. 5594
5.	Email ID	DUBEY.RAJEEV@mahindra.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The Business Responsibility Policy ("BR Policy") addressing the following 9 principles as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs), duly approved by Board, is in place. This policy is operationalized and supported by various other policies, guidelines and manuals.

- P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3: Businesses should promote the well-being of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	P1: Ethics and Transparency	P2: Product Responsibility	P3: Well-being of employees	P4: Responsiveness to Stakeholders	P5: Respect Human Rights	P6: Environmental Responsibility	P7: Public policy advocacy	P8: Support inclusive growth	P9: Engagement with Customers
1.	Do you have a policy/policies for	Yes	Yes Note 1	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2.	Has the policy being formulated in consultation with the relevant stakeholders?	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2	N Note 2
3.	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Yes	Yes	Yes	Yes	Yes	Yes	NA Note 3	Yes	Yes
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
5.	Does the Company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6.	Indicate the link for the policy to be viewed online?	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4	Yes Note 4
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
8.	Does the Company have in-house structure to implement the policy/policies.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes	Yes	Yes	Yes	Yes Note 5	Yes	NA Note 3	Yes	Yes
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Note 1 – The Company complies with consumers' awareness through appropriate product labelling and operator manual & instructions which ensure safe usage by the customer. However, Company's current control is limited till warranty period. The Company is in the process of addressing this by appropriate communication to all value chain members for their responsibilities.

Note 2 – While there is no formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.

Note 3 – This question is not applicable for influencing public and regulatory policy.

Note 4 – It has been Company's practice to upload all policies on the intranet site for the information and implementation by the internal stakeholders. The Code of Conduct for Directors, the Employee Code of Conduct, Business Responsibility Policy and Corporate Social Responsibility Policy are available on the following website:
<http://www.mahindra.com/resources/FY19/AnnualReport.zip>

Note 5 – The Company has a "Whistleblower Policy" to address grievances. There is a Corporate Governance Cell where these issues are dealt with.

3. Governance Related to BR

- ▶ **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:**

The CSR Committee of the Board assesses the BR performance twice a year. Other supporting councils/cells viz. Group Sustainability Council, Group CSR council Central Safety Council and Corporate Governance Council meet every 3 months.

- ▶ **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

Mahindra Group started publishing the Sustainability Report since 2007-08 annually and all Sustainability Reports from 2007-08 till date are GRI compliant. The Sustainability Report 2017-18 is accessible on the Company's Website at the hyperlink <https://www.mahindra.com/resources/pdf/sustainability/Mahindra-Sustainability-Report-2017-18.pdf>.

The Sustainability Report for 2018-19 is under preparation and will be uploaded on the website of the Company in due course of time.

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

The Company has a Code of Conduct for Directors as well as all employees of the Company that covers issues, inter alia, related to ethics and bribery. It covers all dealings with Suppliers, customers and other business partners including Joint Ventures, and other stakeholders. The Company also has a Code of Conduct for Suppliers and Vendors.

As part of the Mahindra Group's Trade Mark Licence Agreement (TLA) with Subsidiary Companies, the Code of Conduct and a few Governance Polices are being made mandatory for signatories to the TLA.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

During the reporting year, 47 complaints were received from the shareholders, all of which were attended to/resolved till date. These complaints pertain to transfer/transmission of shares, non-receipt of dividend, non-receipt of share certificates, non-receipt of Annual Report, etc.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

1. Passenger Vehicles (UV/ MPV/ Cars)	<p>Alturas G4</p> <p>The Alturas G4 powerful 2.2 litre 4-cylinder engine produces 133.1 kW (178 BHP) power and 420 Nm of torque. Electrical variable geometry turbocharger produces best in torque on the vehicle category for more power on Highways and Transient operations. Dual Zone Fully Automatic Temperature Control optimizes the cooling requirements. For safety Electronic Parking Brake with Auto Hold feature and Cruise Control provides stability to the vehicle. 9 airbags (driver seat, passenger seat, driver's knee protection, side airbags in 1st & 2nd rows, and curtain airbags) provide complete safety for passengers and drivers. Electronic Stability Program (ESP), Active Rollover Protection (ARP), Brake Assist System (BAS), Hill Start Assist (HSA), Traction Control System, ABS + EBD, Emergency Stop Signal, Hill Descent Control (HDC) enhances the customer safety. Ultra-high strength steel quad frame structure, Side impact beams & front crumple zones with ISOFIX mounts for child seat, Immobilizer ensures convenience and a good ride experience.</p> <p>XUV 300</p> <p>1.5L Turbo Diesel engine with electronic variable geometry charger produces 85.8KW (115 BHP) power & 300 NM torque. The 1.2L Turbo Petrol engine: 81KW (110 BHP) power & 200 NM torque with 6-speed transmission provides the best power rating of the vehicle. For enhanced fuel economy the Smart Steering System has 3 steering modes of operations which allow you to customise the steering effort to suit your driving requirements. For the safety 7 airbags (knee airbag, dual-front, side and curtain airbags) and Disc brakes on all 4 wheels are provided for passenger's safety. The Front parking sensors, Electronic stability program with Dynamic Steering Torque, Hydraulic Brake Assist, Roll-over Mitigation and Traction Control. Hill Start Assist, ABS & EBD standard across all variants provides stability and smooth driving experiences. Additional safety of ISOFIX child seat mounts, Tyre-tronics (tyre pressure & temperature monitoring system), Seat belt reminder for all seats and 3-point seat belt on all seats provides enhanced safety.</p>
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	<p>Marazzo</p> <p>The Marazzo's new 4-cylinder engine produces 90.2kW (121 BHP) power and 300 Nm torque for the vehicle. The Patented 'Body-on-Frame-Front-Wheel-Drive' architecture offers the twin benefits of agile, 'car-like' handling and durability and toughness of a body-on-frame configuration. For enhanced comfort the 'twist beam' rear suspension offers the highest suspension travel of 245mm. The comfort is provided by Surround Cool Technology. Enhanced driving experience is achieved through low-NVH engine, disc brakes on all 4 wheels. For safety the dual front Airbags are provided along with Emergency Call, ABS and ISOFIX child seat mounts as standard across all variants. For structural rigidity the High-strength steel structure supported by a fully-boxed frame, collapsible steering column, crumple zones, side-impact beams Impact-sensitive door locks, Anti-lock Braking System (ABS), Rear Parking Camera and Sensors are provided which ensure the strength and safety of the vehicle.</p>
<p>2. Light Commercial Vehicles</p>	<p>TREO Electric</p> <p>The TREO Electric is a Zero Pollution vehicle with Lithium ion Battery Technology which provides lower maintenance and longer life for the customers. For safety of the passengers strong crash guard with dent and rust-free body is provided. Also comfortable, noiseless and vibration free drive is provided with Ergonomically designed spacious interiors. The Digital instrument cluster enhances the convenience of customers. Also, the additional features of remote monitoring of mileage, location, and battery status through Next-Generation Mobility (NEMO) tech is provided on the vehicle.</p>

<p>3. Tractors</p>	<p>Mahindra NOVO:</p> <p>Arjun Novo is available in 50 - 95 hp Engine power range globally both in Open Station and Cabin with Heating Ventilation & Air Conditioning (HVAC) version. It is a technologically advanced range of tractors which can handle more than 40 farming applications in different soil conditions with longest service interval of 400 hours.</p> <p>Arjun Novo delivers uniform and consistent power in all applications and soil conditions. It has higher lift capacity hydraulic system, which makes it suitable for numerous farming and haulage operations.</p> <p>Its ergonomically designed, low maintenance and best in class fuel efficiency. In India, we have launched 65-75 hp Arjun Novo tractor with efficient hydraulics having higher lift capacity (2600 kg) in 2/4WD versions and 3 speed Power take Off (PTO). These units are equipped with widely appreciated Digi Sense which helps Owners to track its live location, enable geo-fencing, and get SMS alerts for vehicle's parameters.</p> <p>Mahindra YUVO</p> <p>To meet the growing demand for 4WD model in under 50hp range category, Mahindra Yuvo 4WD model was launched for Puddling application with improved drive-ability and also with digisense technology feature to enable the farmers to connect with tractor. Live SMS alert of the tractor like Engine temperature, engine oil pressure, air clog, battery charging, Fuel level and web-based features showing the live tracking, geo-fencing and location history of the vehicle.</p> <p>With the growing demand for advanced technology in farm machinery, Mahindra YUVO was launched with first ever Intelligent technology- a pathbreaking and industry-first initiative.</p> <p>This intelligent tractor is capable of delivering features like Auto steer -straight line, auto headland turn, skip passing& auto implement lift at headland turn with the driver on seat.</p> <p>Auto steering technology had been introduced to provide precise operation while using it for potato farming application.</p>
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Mahindra JIVO

Mahindra JIVO brings unmatched power with its fuel efficient, robust, 2 cylinder, Direct Injection (DI) engine to carry out all intended operations with ease.

Higher Power take Off (PTO) Horse Power (HP), optimized power loss & unique architecture with high end technology offers multi-application suitability with excellent performance.

Mahindra JIVO also means greater profits because of its low maintenance, best in class mileage, and easy spare part availability with low cost.

Launched in the range of 24 HP with lift capacity of 450 kg at standard frame, with 8 forward and 2 reverse speed transmission and 2 speed Power take Off (PTO).

The new Mahindra Jivo is available in 20HP 2WD & 24HP 4 WD segment called as Jivo 225 DI & Jivo 245 DI. Mahindra JIVO provides a high level of power, performance and profit like never before.

963 4WD Models: 4WD was introduced on the new 60 HP platform. This model comes with a new 60 hp fuel efficient engine with 12 forward & 2 reverse speed synchromesh transmission and hydraulics with high precision control & high lift capacity of 2200 kg. This model has superior ergonomics and contemporary styling. 4WD enables better traction and thus the tractor can be used with bigger implements and in demanding applications.

855 IPTO: Independent Power take Off (PTO) was introduced on 855 model. This feature would benefit customers who are using this tractor for harvester applications. Additional benefits to the customer are reduced operator fatigue and increased clutch life.

724 Orchard Narrow Track with Power steering and 540 speed Power take Off (PTO): 724 is a popular model in the current range of narrow track tractors. Power steering reduces operator fatigue and 540 speed Power take off (PTO) makes it suitable to wider variety of implements.

735 LLT: 25 Kg of Cast iron material and 10 litres of Transmission oil has been saved on 735 model. All the saving has been achieved along with the improved life and reliability over current design.

resource use. However, the resource use for entire portfolio is tracked and monitored. Since the products portfolio is distributed across various manufacturing locations of the Company, the resource use is monitored per unit of equivalent vehicle or equivalent tractor manufactured. The performance for current and previous year on Specific Energy Consumption, Specific GHG Emissions and Specific Water Consumption during production is appended below, which will be reported in the Sustainability Report for 2018-19.

Resource Use	Divisions	Unit of Measurement	Current Year 2018-19	Previous Year 2017-18
Specific Energy Consumption	Automotive Division	GJ/Equivalent Vehicles	1.288	1.230
	Farm + Swaraj Division	GJ/Equivalent Tractors	1.212	1.260
Specific Green House Gas Emissions (Scope 1 and 2)	Automotive Division	tCO ₂ /Equivalent Vehicles	0.191	0.185
	Farm + Swaraj Division	tCO ₂ /Equivalent Tractors	0.177	0.190
Specific Water Consumption	Automotive Division	KL/Equivalent Vehicles	1.165	1.113
	Farm + Swaraj Division	KL/Equivalent Tractors	0.924	0.965

ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Due to constant innovations and focus on fuel efficiency, there would be a reduction of energy use by consumers. However, tracking of such reduction is not possible as it is highly dependent on individual customers driving habits.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

The Company has been working to enhance the degree of sustainability associated with its sourcing practices under the umbrella of "ONE SOURCING". This includes strategy of one supplier per platform and common supplier basket for multiple businesses, setting up of vendor parks at its new plants, sourcing from tightly knit clusters, optimizing logistics to reduce fuel consumption, emissions and carbon footprint, re-working packaging to minimize waste and maximize re-use. The Sustainability road map of the Company covers these areas and the Company takes steps to ensure that its sourcing methods are

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

i. **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

For the above mentioned products, there is no explicit tracking mechanism in respect of

sustainable. Almost entire sourcing work is done from the country with a very small percentage of input being procured from overseas.

The Company has Green Supply Chain Management Policy and a Supplier Code of Conduct, which has been shared with all suppliers, under which, the Company is committed to improve the awareness with regard to legal compliances, enhance eco-efficiencies, employee health and safety initiatives etc. at supplier end through initiatives such as Supplier Business Capability Building (SBCB), Mahindra Supplier Evaluation Standard (MSES), Mass Manufacturing Approval (MMA) & Supply Risk Mitigation & Management (SRMM). Continuous engagement with suppliers is ensured through supplier meets, business reviews, multiple training sessions & two-way interactive M SETU Platform. To motivate the suppliers to take the Sustainability agenda forward, good practices at supplier end are recognized, by institutionalizing "Annual Sustainability Award".

As regards Swaraj Division, most of the suppliers are now in implementation phase to make logistic sustainable & trying to use returnable bins in place of wooden & corrugation boxes as alternate source with a plan to reduce Corrugation Boxes by 60% by F20 and make wooden packing zero

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. The Company has a practice of purchasing goods and services from local suppliers. The Company does not have any small suppliers where the owner himself or herself is a worker. The Company has multiple plants spread across West, South and North of India. The major factors influencing selection of Suppliers across these regions are:

- Capability, performance and on-time delivery.
- Compliance on environment, health & safety guidelines.
- Readiness to participate in sustainable supply chain management program.
- Total cost.

The purchasing group has a standard practice of sharing its annual plans and next two year's tentative plans with its key suppliers through communication meets and supplier business reviews.

These suppliers are provided with managerial and technical assistance to train them on practices and procedures that will ensure improvements in Productivity, Quality, Cost, Delivery, Safety and Moral (PQCDSM). This is done by initiatives like Supplier Business Capability Building (SBCB), Mahindra Supplier Evaluation Standard (MSES), Technical Capability Building programs, Supply Risk Mitigation & Management (SRMM), Safety Training & assessments and technical support for special processes during new product developments, VAVE activities along with Associate Value Specialist Program for suppliers, etc. The Company has special focus on creating supplier parks near the plants for e.g. Chakan Supplier Park and Zaheerabad Supplier Park. The Company has a continued focus on buying from local suppliers, geographically nearest to the Company's manufacturing facility. Almost entire sourcing is done within the country with a very small percentage of input being procured from overseas.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

It is the Company's ongoing endeavour to have a mechanism to recycle products and limit the waste arising out of production of vehicles and tractors. The Company has initiated well documented processes to ensure compliance with the European Union Directive 2005/64/EC which is now implemented for vehicles exported to European Union. Our objective is to restrict the amount of waste produced from End of Life of vehicles (ELVs) and increase the recovery and recycling of ELVs that arise. The information on recyclable parts and manual for dismantling is provided with export vehicles. We follow the ISO 22628:2002, to calculate the recyclability rate, the recoverability rate and reusability rate (RRR) of our export vehicles. We have 5 models complying with the European Union Directive 2005/64/EC norms on recyclability. The Company is actively participating in the committee formed by Society of Indian Automotive Manufacturers (SIAM) to frame processes and procedures for Product Recycling in India. At present, the batteries used in vehicles are recycled in a structured manner through the battery manufacturing companies in India. Similarly other parts such as tyres, body components, etc. are recycled in an unstructured manner through licensed

scrap dealers who either recover the material used or cannibalize/refurbish the parts for reuse.

So far we have been doing a simplified Life Cycle Assessment (LCA) in the form of compliance with End of Life of vehicle (ELV) directive for European M1 & N1 products. The vehicles exported and certified as per European Emission Compliance (EEC) directive 2005/64/ EC. We have now conducted an experimental project to evaluate full LCA during 2017. For this study one UV pickup model Bolero Maxi Truck (BMT) and one XUV 500 assessment has been completed. The outcomes will be incorporated in the feature development phases.

The CO2 emissions are evaluated during the type approval test at the government approved test agencies and this data is used to assess the CO2 impact of products as Company weighted average fuel consumption (CAFC) to align with future Fuel Economy emission regulation in India.

Principle 3: Businesses should promote the well-being of all employees.

1. Please indicate the Total number of employees: 42,875
2. Please indicate the Total number of employees hired on temporary/contractual/ casual basis: 21,020
3. Please indicate the Number of permanent women employees: 771
4. Please indicate the Number of permanent employees with disabilities: 20
5. Do you have an employee association that is recognized by management: Yes
6. What percentage of your permanent employees is members of this recognized employee association? (Total Unionized Permanent Workmen/Total Permanent Workmen): 84%
7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	Nil	Nil
2.	Sexual harassment	4	Nil
3.	Discriminatory employment	Nil	Nil

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- (a) Permanent Employees: 83%
- (b) Permanent Women Employees: 97%
- (c) Casual/Temporary/Contractual Employees: 66%
- (d) Employees with Disabilities: 100%

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. Has the company mapped its internal and external stakeholders? Yes/No:

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?:

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

The Company has made conscious efforts to design products and offerings, specifically to improve the earning potential and encourage entrepreneurship amongst rural and semi-urban stakeholders through offering accessible and affordable technology. Moreover, in the Farm equipment business vertical, there is a conscious focus to deliver 'Farm Prosperity' through various products and services that are designed to improve farm productivity especially amongst small farmers. Trringo is a revolutionary tractor and farm equipment rental business that harnesses the power of technology through a strong franchisee network to make farm mechanization easily accessible, affordable and reachable to every Indian farmer. EPC - a Mahindra group company, popularly known as EPC Irrigation is a pioneer of micro-irrigation in India. EPC provides complete solution for agriculture with a focus on Micro-Irrigation, Pumps & inter-related requirements of fertigation & agronomic support.

Under its Corporate Social Responsibility, M&M has been driving various projects across the country to uplift the marginalized and vulnerable community. The Integrated Watershed Management Project (IWMP) is one such project that was initiated in 2011 in a Public Private Partnership (PPP) mode with the Government of Madhya Pradesh at Damoh. The

project being scalable and sustainable has resulted in replication at Bhopal and Hatta in Madhya Pradesh. The Damoh project has been completed and handed over to the government. This project was implemented in 32 villages over 9,660 hectares of land and covering 4,219 households thereby benefiting 21,095 people. There were three main interventions of the project 1) Soil & Water Conservation, 2) Productivity Enhancement and 3) Livelihood Generation. The project resulted in 1) Ground Water availability 6.2 meters against the baseline of 8 meters. 2) An average percentage increase of income from agriculture by 339% over the baseline 3) An average percentage increase of household income by 363% over the baseline.

This project at Bhopal follows the similar PPP model with the Government of Madhya Pradesh. Being implemented in 35 villages that is spread over 10,760 hectares of land covering 6,673 households benefiting 34,228 people. And at Hatta, the project is on a 50-50% partnership with National Bank for Agriculture and Rural Development (NABARD). Being implemented in 13 villages that is spread over 4,816 hectares of land covering 1,613 households benefiting 6,884 people. All three programs follow the 'Ridge to Valley' watershed treatment model. A Watershed plan is created for each village based on a thorough examination of the village geography. Factors considered in the situational analysis include topography, existing watershed structures, rain water drainage routes, existing storage tanks, irrigation channels, etc. Each village gets a combination of watershed structures that work in unison to achieve the final overall output. Along with increasing water availability, simultaneous work on implementing 'best in class farming package of practices' is also done. Handholding of farmers during the entire crop cycle results in sustainable benefits of increased crop production and enhanced income. Self Help Groups (SHGs) for livelihood generation are also formed in close co-ordination with the village councils resulting in the generation of additional income avenues.

The Company has entered into a 'Agroforestry Livelihood Generation Programme' at Araku Valley. The Agroforestry project is regenerating the lost green cover through plantation of indigenous species and at the same time generating livelihood opportunities by planting fruit bearing trees for the tribal population staying in the valley to earn income from. The programme is in its phase 2 in

which entire tree plantation is done by the NGO partner Naandi Foundation.

Further details of community development initiatives are given in Principle 8.

Principle 5: Businesses should respect and promote human rights

1. Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/Suppliers/Contractors/NGOs/Others?

The Business Responsibility Policy covers the aspects on Human Rights for the Company. Human Rights issues are a part of the supplier selection process and are also included in the contracts drawn up with them. The Company has put in place a Whistleblower Helpline managed by an external agency to ensure that any violations to its Code of Conduct (including violation of Human rights) are addressed objectively. Besides this, through various awareness sessions, various stake holders like contractors, security personnel, Associates are sensitized and this helps to promote adherence on Human Rights aspects.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

10 Complaints have been received through the Whistleblower Helpline. 2 were received by the Chairman of the Audit Committee. All received complaints have been investigated and resolved.

There is an active and a well-defined four step Grievance Redressal Machinery available at each plant for workmen through which all types of grievances are redressed. Additionally, Employee Satisfaction Survey for workmen is periodically carried out and all low scoring responses are discussed in Focused Group Meetings and duly resolved. Although there is no process to separately maintain records for grievances related to Human Rights, the above stated mechanism adequately addresses this issue. There is a mechanism for all employees of Automotive and Farm Sectors to voice their concerns to the Sector President through a 'Reach-out' mailbox which is addressed with confidentiality. Besides, in order to address the Human Rights violation in specific for blue collared workmen (Permanent & Flexible workforce), a Grievance Register has been kept at Time Office to raise concerns. However, no complaints have been received or reported for the reporting year.

Principle 6: Business should respect, protect, and make efforts to restore the environment

1. Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.

The Company has various policies related to environmental protection. The Green Supply Chain Management Policy includes environment protection and covers suppliers. The subsidiaries/Joint Ventures have their own policies which are in sync with the Company's environmental policies.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.

Yes

Sustainability Roadmap of the Company is ready with targets taken to reduce carbon emissions, water consumption, and increase in use of renewable energy, enhance recycling of waste. It is reviewed periodically. The Company is committed to adopt Science Based Target (SBT) to restrict average global temperature rise to 2 degrees Celsius in alignment of Paris Climate Change Agreement. It is the 1st company globally to sign a program EP-100 which is committed to double the energy productivity by 2030. It has also announced its internal carbon price of US \$ 10 per ton of carbon emitted and became first company in India to do so. The Company is also a signatory for India Business Biodiversity Initiative (IBBI). The entire group is committed to become Carbon Neutral by 2040 with use of energy efficiency renewable energy and sequestration by tree plantation.

The strategies and initiatives will be elaborated in the Company's Sustainability Report 2018-19 and will be available on <https://www.mahindra.com/resources/pdf/sustainability/Mahindra-Sustainability-Report-2018-19.pdf>

Please note the indicative list of various projects implemented in this regard. The complete details will be available in the Sustainability Report for the year 2018-19.

Energy Savings:

- Energy efficient motors replacing conventional motors
- Heat recovery system
- Light-emitting Diode (LED) lighting

Water Savings:

- Recharging pits by Rain Water Harvesting for water conservation
- Use of low flow fixtures for optimum water flow
- Installation of Reverse Osmosis plant to treat water and reuse in process application

Waste Reduction:

- Total 9 plants certified for Zero Waste to Landfill
- Reusing paint sludge as an input material to cement industry
- Reduce packaging waste by using plastic boxes in place of corrugated boxes.

3. Does the company identify and assess potential environmental risks? Y/N

Yes, the Company has a mechanism to identify and assess potential environmental risks across all locations.

4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

Yes. The name of the CDM – PoA 9731: Energy Efficiency through Micro irrigation system – India. The Registered Program of Activities (PoA) aims at encouraging energy efficiency through installation of efficient irrigation system such as drip and sprinkler irrigation replacing the conventional flood method of irrigation resulting in GHG Emission reduction & Water Conservation. It was registered in September 2013.

For more details refer https://cdm.unfccc.int/ProgrammeOfActivities/poa_db/4Z28CN6S0DEB5F1PLIXAY9W3GMRUOQ/view.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

Yes. Same as stated under Sr. No. 2 above mentioned under Principle 6

6. Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes

7. Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

NIL

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

Yes. The company is member of following trade and chamber or association in alphabetical order

- a) The Associated Chambers of Commerce and Industry of India (ASSOCHAM),
- b) Bombay Chamber of Commerce and Industry (BCCI),
- c) Confederation of Indian Industry (CII)
- d) Employers' Federation of India (EFI),
- e) FICCI
- f) Indian Merchants Chambers
- g) National Human Resource Development Network (NHRDN),
- h) Society of Indian Automobile Manufacturers (SIAM),
- i) The Energy and Resource Institute (TERI)
- j) Tractor Manufacturer's Association (TMA)

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company participates as a stakeholder of SIAM and TMA on policies related to Automotive and Tractor Industry, Sustainable Mobility and Farm Tech Prosperity, Economic Reforms, Sustainable Business Principles (Sustainable Supply Chain Management) and Vehicle Recall policy. The Company also contributes through Confederation of Indian Industry/ Bombay Chamber of Commerce and Industry, when views are solicited on matters such as Securities Law, Corporate Laws, etc.

Principle 8: Businesses should support inclusive growth and equitable development

1. Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

Yes, since its inception Mahindra & Mahindra Ltd. has been a socially responsible corporate making investments in the community which go beyond

any mandatory legal & statutory requirements. The CSR vision of the Company is to focus its efforts within the constituencies of girls, youth & farmers, by innovatively supporting them through programs designed in the domains of education, health and environment, while harnessing the power of technology. By investing our CSR efforts in these critical constituencies who contribute to nation building and the economy, we will enable our stakeholders and communities to RISE. In accordance with the Companies Act, 2013, the Company has committed 2% (PBT), towards CSR initiatives. Further, the unique ESOPs (Employee Social Options) platform provides employees a menu of volunteering opportunities enabling them to participate actively in the Company's CSR initiatives and giving back to society. Some of the major initiatives the Company has invested in the financial year (F-19) are as follows:

- a) **Project Nanhi Kali** – Provision of educational support to underprivileged girls from poor urban, remote rural and tribal communities across India to enable them to complete their schooling.
- b) **Mahindra Pride School & Mahindra Pride Classrooms** – Livelihood training programme for youth from socially and economically disadvantaged communities to enable them to complete their school.
- c) **Mahindra scholarships at Mahindra United World College of India (MUWCI)** – to enable deserving and meritorious students to study at MUWCI.
- d) **Promoting Health & Preventive Healthcare** – Providing financial and psychological support to patients suffering from critical & life threatening illnesses, palliative care program for people with chronic illnesses such as cancer, Alzheimer's, kidney failure, lung conditions and stroke & support for setting up 'The Head and Neck Cancer Institute of India'.
- e) **Lifeline Express** – Support a "hospital on wheels", providing medical and surgical interventions to rural population who do not have access to healthcare services.
- f) **Mahindra Hariyali** – Afforestation initiative to improve green cover & protect bio-diversity in the country and also contribute to the livelihood of farmers.

- g) **Integrated Watershed Management Project (IWMP)** – A public private partnership with the Government of Madhya Pradesh at Bhopal and National Bank for Agriculture and Rural Development (NABARD) at Hatta, for Soil & Water Conservation, Productivity Enhancement and Livelihood Generation interventions.
- h) **Wardha Farmer Family Project (WFFP)** – The project aims to create a comprehensive agrarian solution that will deliver sustainable local nutritional security and assured prosperity to the farmer families in three blocks of Wardha district, Maharashtra.
- i) **BAJA:** Training undergraduate engineering students in automotive engineering thereby enabling them to get jobs in the automobile industry.
- j) **A World In Motion (AWIM):** Training Class V & VI students in mechanical automobile concepts for building vehicles for road and water.
- k) **Environment, Health & Safety Plus Centre (EHS+):** The EHS+ Centre aims to expand the pool of EHS and sustainability professionals working in factories, by providing affordable, state of art, training designed to improve workers and organizations health and safety conditions along with saving energy. These trainings focus on increasing resource efficiency, enhancing gender equity and empowerment, and reducing greenhouse gas emissions.
- l) **Rise for Safe Roads:** First of its kind in India, the 'Road Safety' project aims to make the Mumbai Pune Expressway a near 'Zero Fatality Corridor' by 2021. Interventions under 4E's are conducted i.e. Engineering, Enforcement, Education and Emergency Response. In addition, efforts are made to train long haul truck drivers through the Anticipatory Driving and Action Prevention Training (ADAPT™) program.
- m) **Village Social Transformation Mission:** A path breaking public- private partnership, between the Government of Maharashtra and India's leading corporates and philanthropic organisations, to plug developmental gaps in 1000 least developed villages in Maharashtra.

- n) **Employee Social Options (ESOPs):** The Company's ESOPs programme supports employees in creating volunteering projects based on the needs of underprivileged communities in and around their places of work.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

CSR initiatives are implemented either directly by the Company through its ESOPs structure where the Mahindra employees directly implement the CSR programmes or through implementing partners which include NGOs having an established track record of at least 3 years in carrying on the specific activity. The main implementation partners the Company works with are the Mahindra Foundation, The K C Mahindra Education Trust, Tech Mahindra Foundation and Naandi Foundation.

3. Have you done any impact assessment of your initiative?

Impact assessment studies were conducted by Deloitte Touche Tohmatsu Limited to measure the impact of the following 3 CSR projects.:

- **Watershed Management Program at Hatta (Damoh) Madhya Pradesh:** The project is in partnership with the National Bank for Agriculture and Rural Development (NABARD).
- **Project Prayas:** The project works with children and people living with HIV/AIDS with an objective of creating awareness and reducing stigma, providing health, nutrition, psychosocial and rehabilitation of persons living with HIV/AIDS.
- **Project Bandhan:** Address the issue of maternal and new born care while targeting pregnant women, infants and adolescent on institutional deliveries and medical support.

Deloitte Touche Tohmatsu Limited is completing the analysis and will be submitting the final report by July 2019.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company's contribution to community development projects amounts to approximately Rs.93.50 crores during the Financial Year 2018-19. Details of some of the major initiatives the Company has invested in the financial year (F-19) are given in Point 1 above.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Where we implement CSR projects, we ensure that the initiative is successfully adopted and owned by the community. Below are four examples of the same:

- a) **PROJECT NANHI KALI** provides educational support to underprivileged girls in India. The intervention provides 2 hours of daily academic support after school and an annual school supplies kit including feminine hygiene material, thereby allowing every girl in the project to attend school with dignity. In F19, the project supported the education of 1,65,291 girls. Of these 66,348 girls were supported by the Mahindra Group of which 18,974 girls were supported by M&M Ltd. The balance girls were supported by individuals and other corporates. When the project is introduced in a new area, a 'Village Education Committee' is set up comprising of influential community members including members of panchayat, local education authorities, school administration, village elders etc. who sensitise the parents and community on the importance of girls' education in particular, and other gender related issues. Further, Nanhi Kali afterschool academic support classes are conducted by 'Community Associates' who are locally hired resources trained by the programs National Resource Group. The NStar centres for adolescent girls are in the community & a household screening is done to map the girls in the area who are then enrolled at the centre. The centre champions who run the centre are local recruits from the community and this plays a major role in the community's acceptance of the centre.
- b) **INTEGRATED WATERSHED MANAGEMENT PROJECT (IWMP)** – The project is a Public Private Partnership (PPP) with Government of Madhya Pradesh at Bhopal and with National Bank for Agriculture and Rural Development (NABARD) at Hatta for increasing the ground water table resulting in increased agricultural productivity and improved living standards. These projects have benefited 41,112 people in 48 villages. The project has resulted in an increase in ground water table through various 'watershed' measures. All the Soil & Water Conservation,

Productivity Enhancement and Livelihood Enhancement interventions are conducted in complete cohesion with the community i.e. the Village Level Water Committees (WCs) and Self Help Groups (SHGs). The IWMP Projects at Bhopal and Damoh have, received 4 awards in F19 for its exemplary work in watershed management. These projects have proved to be sustainable and replicable model for the development sector which was also recognised by Indian Institute of Corporate Affairs.

- c) **MAHINDRA PRIDE SCHOOLS (MPS)** – provide livelihood training to youth from socially & economically disadvantaged backgrounds. In F19, the Mahindra Group supported 9 MPSs in Pune, Patna, Chandigarh, Srinagar, Hyderabad, Varanasi and 3 in Chennai through which 6,561 students were trained. From inception till date, 33,235 students have been trained and 100% have been placed. The Company supported the schools in Chandigarh, Srinagar, Hyderabad, Varanasi & Chennai which skilled 3,108 students in F19. The USP of the MPS project is 100% placement of the students in lucrative jobs. This has been possible through the network of 200+ corporates. Many of these have been repeat recruiters, which is a validation of the quality of training provided at MPS. The alumni of MPS who are employed with different companies serve as role models in their community. Active alumni clubs regularly send referrals to MPS and at least 30-40% of a batch comprises of referrals. The alumni also act as peer leaders and mentors to students undergoing training at MPS motivating them to overcome their limiting circumstances. Further, in F19, 1,19,349 students were trained through 2,597 batches of Mahindra Pride Classrooms in Polytechnics and Arts & Science Colleges across 14 States. The Mahindra Pride Classrooms provided 40-120 hours modules of training to final year students covering English Speaking, Life Skills, Aptitude, Interview, Group Discussion and Digital Literacy.
- d) **MAHINDRA HARIYALI** – The Mahindra Group is committed to planting one million trees every year. Apart from the obvious environmental benefits, the community too benefits from the plantations since it supports livelihood as well. For e.g. in Araku, the plantations have helped sustain coffee plantations which have yielded

high returns to the tribal population in the valley. Apart from the Araku valley, plantations undertaken by communities across the country have focused on planting fruit bearing trees since the economic value of such plants is high, communities are eager to adopt these projects. Awareness related to benefits of trees in arresting soil erosion and climate change too has increased in the recent past as a result communities are more receptive of the Mahindra Hariyali project.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

Customer complaints are treated very seriously in the organization. We hear our customers through various mediums such as emails to customercare@mahindra.com, With You Hamesha 24X7 Call Centre toll free no, websites, tweet handle, telephone, letter, fax etc. The status of pending complaints/cases as on March 31, 2019 is as follows:

2018-19	Automotive Division	Farm Division (Including Swaraj)	Total
Percentage of Consumer Cases Pending against the Company as on 31 st March 2019 of cumulative cases pending or filed since 1 st April 2009.	33.39%	38.38%	34.42%

Auto Division – Customer Complaints

Receiving Period	Total Complaints Registered in this period	Open	Close	Open %	Close %
F19	57,234	162	57,072	0.28%	99.72%
F12-F19	2,51,636	165	2,51,469	0.07%	99.93%

Farm Division – Customer Complaints

Receiving Period	Total Complaints Registered in this period	Open	Close	Open %	Closed %
F19	22,775	32	22,743	0.14%	99.86%
F11-F19	1,34,253	32	1,34,221	0.02%	99.98%
F19 Swaraj Division	820	8	812	1.00%	99.00%
F11-F19 Swaraj Division	2,366	8	2,358	0.3%	99.7%

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes. In addition to mandatory requirements, the Company also provides service and safety labels as deemed appropriate. e.g.: Product fuel economy data displayed for each variant at selling points (Dealership).

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Yes. The Company has been impleaded in the below listed proceedings that allege unfair competition/ trade practices. The Company believes that the allegations are untrue and without merit and is vigorously defending itself in these proceedings.

Description of the matters pending under the Competition Act, 2002:

Case No. 3/2011:

Based on the information given by the Informant 'Shamsher Kataria' against 3 car manufacturers about non-availability of spare parts in the open market, the Competition Commission of India (CCI) commenced investigation of 17 car manufacturers. On August 25, 2014 CCI passed an order ("Order") against fourteen companies including Mahindra & Mahindra (M&M) Limited. By this Order, the CCI imposed a penalty of Rs. 292.25 crores amounting to 2% of the average annual turnover for the years 2007-08, 2008-09 and 2009-10. M&M vide a Writ Petition W.P.(C) 6610/2014 ("W.P.") filed before the Delhi High Court challenged the constitutional validity of certain sections of the Competition Act, 2002 based on which the order and penalty was decided by the CCI. On 10th April 2019, the Delhi High Court pronounced its order (HC order) and held certain sections of the Competition Act as unconstitutional. The HC order requires that in views of its directions, new guidelines be framed by CCI, in regard to the manner in which the CCI conduct its proceedings. M&M challenged the aforesaid Order of Delhi HC by filing a SLP before the Supreme Court. The Hon'ble Supreme Court was pleased to issue notice to Respondents and further granted stay on Impugned CCI Order till the next date of hearing to be held in August 2019.

Matters pending before the ITC, USA

A complaint was filed by Fiat Chrysler Automobile US, LLC ("Fiat") with the United States International Trade Commission (ITC) against Mahindra & Mahindra Ltd.

("M&M") and Mahindra Automotive North America ("MANA") alleging that certain design features of the Mahindra ROXOR infringe the intellectual property rights of Fiat's Jeep design. Fiat has sought an order for permanently restraining M&M from exporting to US, and MANA from importing into US, any part or component which infringes Fiat's intellectual property rights. If they succeed in getting permanent injunction, sale of certain parts or components by M&M to MANA will be affected.

M&M believes that the complaint is without merit. It is mounting a defence at the ITC and has commenced a separate action in the United States Federal District Court in Michigan. M&M and MANA are using both venues to enforce the Grill Design Agreement signed by M&M and Fiat in 2009, and to challenge Fiat's positions on this dispute as being created for this action, and inconsistent with its historical position. There are legal defences also being asserted related to positions taken on Chrysler's IP ownership as it emerged from bankruptcy in 2009 and was acquired by Fiat. Since the ITC cannot award damages, M&M / MANA brought action in Federal District

Court to also assert a claim for compensation, arising out of the harm caused by Fiat using the ITC case to injure the ROXOR business, M&M and MANA by creating negative publicity, damaging our reputation and our stature in the marketplace.

In May 2019, a process of mediation to find an amicable resolution, was commenced between the parties. This process is ongoing.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, through

- James David Power Syndicate Study - Applicable for Personal Model
- CaPS (Customer as Promoter Score) Study (Done by Central Team at the Corporate Office, Worli) - Applicable for Personal and Commercial Model
- Brand Track Study
- Premonasia Survey for Tractors

Financial Position at a Glance

Rupees crores

	As per Ind AS and Schedule III of the Companies Act, 2013					As per previous GAAP and Revised Schedule VI of the Companies Act, 1956				As per previous GAAP and Old Schedule VI of the Companies Act, 1956
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Property, Plant and Equipment and Intangible Assets	12502	10988	9811	9158	7766	7105	5821	5088	3904	3703
Investments	22016	20583	17908	13547	13139	11380	11834	10297	8913	6398
Foreign Currency Monetary Item Translation Difference Account Liability	—	—	—	—	—	—	—	—	—	(3)
Inventories	3839	2702	2758	2688	2438	2804	2420	2358	1694	1189
Trade Receivable/Debtors	3946	3173	2939	2512	2558	2510	2208	1929	1260	1258
Other Non Current/Current Assets	10394	10001	6297	7594	6181	7490	5171	4098	3753	3599
Borrowings	2480	2864	2773	1844	2620	3745	3227	3174	2321	2880
Non Current/Current Liabilities and Provisions	15373	14011	10409	10773	9230	9863	8953	7964	6535	5197
Deferred Tax Liabilities/ (Assets) (Net)	634	277	(255)	460	222	890	615	527	355	240
Equity Capital	596	595	297	296	296	295	295	295	294	283
Other Equity	33613	29699	26489	22127	19714	16496	14364	11810	10019	7544
Net Worth	34209	30294	26786	22423	20009	16791	14659	12105	10313	7827
Book Value Per Share (Rupees)	287.09	+ 254.59	451.23	378.36	338.34	284.26	248.14	205.32	175.43	@138.10

@ Book Value Per Share is shown after giving effect to the sub division of each Ordinary (Equity) Share of the face value Rs. 10 each fully paid up into two Ordinary (Equity) Shares of Rs. 5 each fully paid up in March, 2010.

+ Book Value Per Share is adjusted for Bonus Shares allotted in the ratio of 1:1 during December 2017.

Summary of Operations

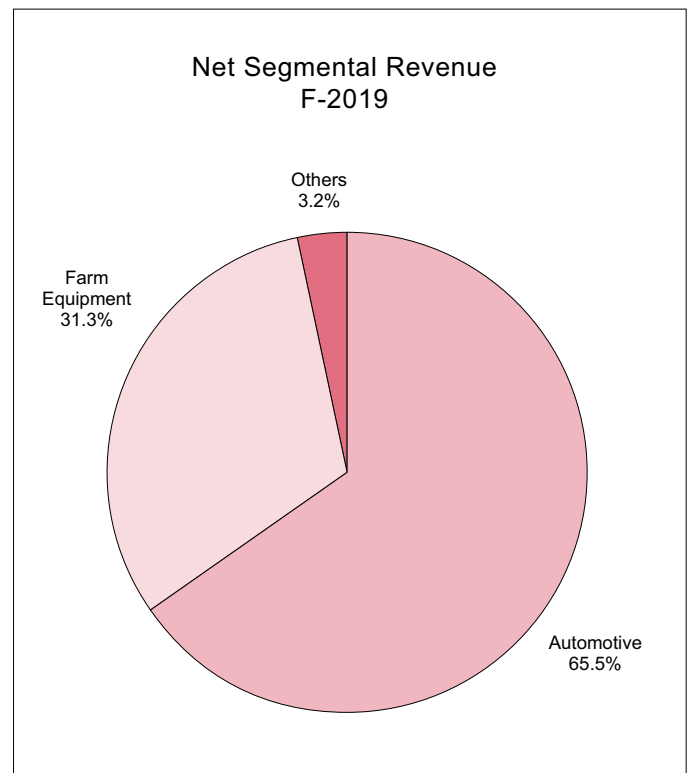
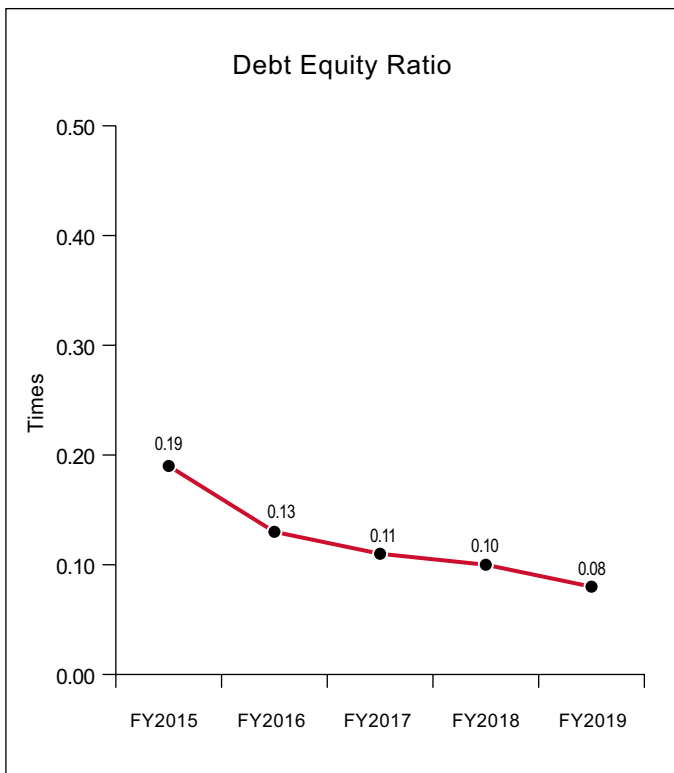
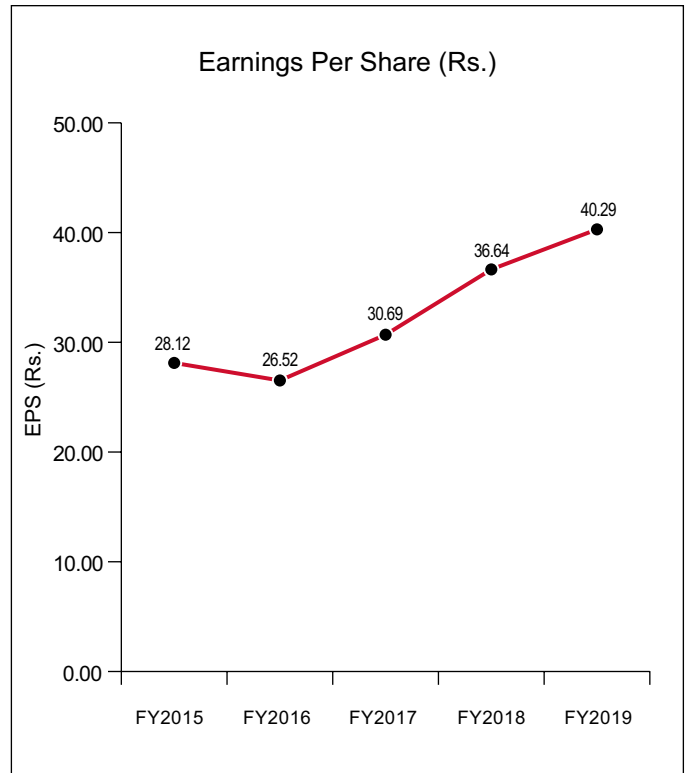
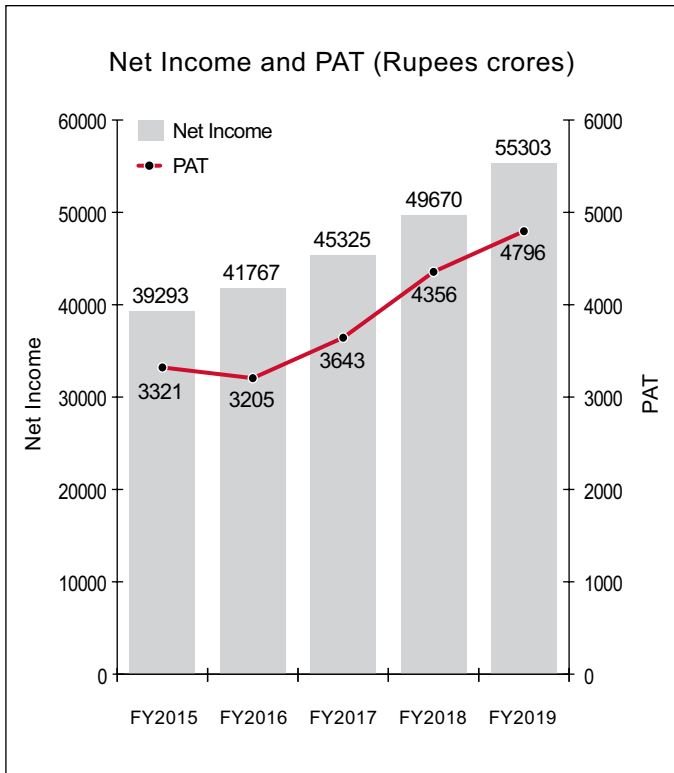
Rupees crores

	As per Ind AS and Schedule III of the Companies Act, 2013				As per previous GAAP and Schedule III of the Companies Act, 2013	As per previous GAAP and Revised Schedule VI of the Companies Act, 1956				As per previous GAAP and Old Schedule VI of the Companies Act, 1956
	2019	2018	2017	2016		2015	2014	2013	2012	
Income	55303	50481	48729	44489	41481	43838	43962	34820	25989	20724
Materials	38257	34135	32081	29516	27955	29432	30425	23500	16264	12333
Excise Duty	—	759	3330	2764	2188	2612	2972	2501	2095	1807
Employee Benefits Expense	2980	2841	2714	2349	2317	2164	1866	1701	1432	1198
Finance Costs/Interest	113	112	160	186	214	259	191	163	72	157
Depreciation, amortisation and impairment expense	1860	1479	1526	1068	975	863	711	576	414	371
Other Expenses	5738	5487	4743	4390	3999	4191	3441	2881	2310	2102
Exceptional items	(30)	434	548	69	336	52	91	108	118	91
Profit before tax for the year	6325	6102	4723	4284	4169	4369	4447	3606	3520	2847
Tax for the year	1529	1746	1080	1080	848	611	1094	727	858	759
Balance profit	4796	4356	3643	3205	3321	3758	3353	2879	2662	2088
Dividend (including tax thereon)	#1187	1055	925	841	847	963	894	869	803	624
Equity Dividend (%)	170	150	260	240	240	280	260	250	230	190
Earnings Per Share (Rupees) ^	40.29	36.64	30.69	26.52	28.12	31.83	28.43	24.49	23.11	18.99
Vehicles produced/ purchased (Units)	618412	546974	499117	496859	464799	506035	555510	474145	355500	284516
Vehicles sold (Units)	607548	548508	506624	494096	464850	507176	551469	469345	354073	282119
Tractors produced (Units)	335519	315759	272308	217383	224330	277425	219893	246475	216388	173276
Tractors sold (Units)	327033	317531	263177	214173	234766	268487	224844	236666	214325	175196

^ Adjusted for Bonus Shares allotted in the ratio of 1:1 during December 2017.

Proposed Dividend.

Financial Highlights





**STANDALONE
ACCOUNTS**

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

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Mahindra & Mahindra Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2019, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

1. Impairment assessment of long-term investments in subsidiaries, joint ventures and associates

The key audit matter	How the matter was addressed in our audit
<p>The Company has long-term investments in subsidiaries, joint ventures and associates aggregating Rs 19,032 crores as at 31 March 2019. The Company records its long-term investments at cost less any provision for impairment loss. Changes in business environment could have a significant impact on the valuation of these investments. These long-term investments are tested for impairment periodically. If triggers of impairment exist, the recoverable amounts of the investment in subsidiaries, joint ventures or associates are adjusted for any impairment loss. The impairment loss is recognised in the statement of profit and loss.</p> <p>Refer note 2(d)(iv) – significant accounting policy for impairment of investments.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's impairment review process, including the review and approval of forecasts and valuation models; Evaluated reasonableness of the valuation assumptions, such as discount rates, used by management through reference to external market data; Evaluated past performances where relevant, and assessed historical accuracy of the forecast produced by management; and Enquired and challenged management on the commercial strategy associated with the products to ensure that it was consistent with the assumptions used in estimating future cash flows.

2. Recognition and impairment assessment of development expenditure capitalized and currently under development

The key audit matter	How the matter was addressed in our audit
<p>The Company has Rs 1,713 crores of intangible assets under development and Rs 2,334 crores of development expenditure capitalized as at 31 March 2019.</p> <p>Management uses judgment to classify research and development related expenditure to be expensed or capitalized as intangible assets under development. In addition, management reviews the carrying amounts of its intangible assets to determine whether there are any indications of impairment loss as the recoverable value of these intangible assets relies on certain assumptions and estimates of future performance which impact the valuation. If triggers of impairment exist, the carrying value of intangible assets are adjusted for any impairment loss in the statement of profit and loss.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> Assessed design, implementation and operating effectiveness of key controls in respect of recognition and classification of development expenditure, and evaluation of existence of any impairment; Confirmed key development projects had the appropriate approval of the committee appointed by the Board; Tested project related expenditures with underlying documents relating to material costs, overheads and employee hours incurred to verify the existence and appropriateness of classification as research or development expenditure; Evaluated the competence of the management personnel who perform impairment assessment and assessed the methodology used by them with reference to the guidance in the applicable accounting standards; and

2. Recognition and impairment assessment of development expenditure capitalized and currently under development (contd.)

The key audit matter	How the matter was addressed in our audit
Refer note 2(f) and 2(g) – significant accounting policy for intangible assets and impairment of assets.	<ul style="list-style-type: none"> Challenged project managers on the stage of development of key projects, judgments used by them for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects.

3. Taxes including provision for current tax, valuation of uncertain tax positions and recognition of deferred taxes

The key audit matter	How the matter was addressed in our audit
<p>The Company has recorded Rs 1,528 crores of tax expense for the year ended 31 March 2019.</p> <p>The Company is subject to periodic tax challenges by tax authorities leading to protracted litigations. As such, accounting for taxes involves management judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision.</p> <p>Refer note 2(p) – significant accounting policy for income tax.</p>	<p>We performed the following key audit procedures:</p> <p>Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's process of recognition of tax expense, including uncertain tax positions and deferred taxes;</p> <ul style="list-style-type: none"> Assessed and challenged the completeness of uncertain tax positions in conjunction with our internal tax specialists by considering changes to business and tax legislation through discussions with management and review of correspondence with authorities where relevant; Assessed and challenged the calculation for the current tax provision and the procedures performed to analyse movements, including the rationale for any release, increase or continued provision in the year; and Assessed and challenged management's judgments with respect to probability of outflow arising out of litigation after considering the status of recent tax assessments, audits and enquiries, recent judicial pronouncements and judgments in similar matters, developments in the tax environment and outcome of past litigations.

Information other than the Standalone Financial Statements and Auditors' Report Thereon ("Other Information")

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

■ Auditors' Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

■ Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
 - (A) As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2019 on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts- Refer Note 18 to the standalone financial statements.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2019.

- (C) With respect to the matter to be included in the auditors' report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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

Jamil Khatri
Partner
(Membership No. 102527)

Mumbai, 29 May, 2019

Annexure A to the Independent Auditors' report on the standalone financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2019

With reference to the Annexure A referred to in the Independent Auditors' report to the members of Mahindra & Mahindra Limited ('the Company') on the standalone financial statements for the year ended 31 March 2019, we report the following:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a programme of physical verification of its fixed assets by which all fixed assets are verified once in three years, pursuant to which the fixed assets were physically verified in the financial year ended 31 March 2019. For fixed assets lying with third parties at the year-end, written confirmations have been obtained. No material discrepancies were noticed on such verification. All discrepancies have been dealt with in the books of account.
- (c) With respect to immovable properties of acquired land and buildings that are freehold, according to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed / court orders approving schemes of arrangements / amalgamations provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the Balance Sheet date.
- ii. The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been suitably adjusted in the books of accounts.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraphs 3 (iii) of the Order are not applicable to the Company.
- iv. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with provisions of Section 185 and 186 of the Companies Act, 2013 ('the Act'), with respect to granting of loans, making investment and providing guarantees and securities.
- v. According to the information and explanations given to us, the Company has not accepted any deposit during the year and accordingly the compliance with Section 73 and 76 of the Act is not applicable. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 74 and 75 or any other relevant provisions of the Act. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal on the Company.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Duty of Customs, Duty of Excise, Cess, Goods and Service Tax and other material statutory dues have been generally regularly deposited during the period by the Company with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Duty of Customs, Duty of Excise, Cess, Goods and Service Tax and other material statutory dues that have remained outstanding for more than six months from the date it became payable.
- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales tax, service tax, Duty of Customs, Duty of Excise, Valued added tax, Goods and Service Tax and other material statutory dues which have not been deposited with the appropriate authorities on account of any dispute, except for the following:

Name of the Statute	Nature of Dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	282.26	AY 2009-10 to AY 2013-14	Income Tax Appellate Tribunal
		0.07	AY 2000-01 to AY 2001-02	Commissioner of Income tax (Appeals)
Central Excise Act, 1944	Duty of Excise	4.90	2005-2012	High Court
		943.15	1991-2015	Appellate Authority-Tribunal Level
		2.62	1995-2017	Appellate Authority-Commissioner

Name of the Statute	Nature of Dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Sales Tax and Value Added Tax Laws	Sales tax	173.77	1994-2016	High Court
		28.76	1991-2011	Appellate Authority-Tribunal Level
		650.07	1992-2017	Appellate Authority-Commissioner
		6.24	2006-2012	Appellate Authority-Revisonal Board
Finance Act, 1994	Service tax	0.10	2005-2012	High Court
		33.57	2002-2015	Appellate Authority-Tribunal Level
		1.93	2002, 2006 to 2018	Appellate Authority-Commissioner
Customs Act, 1962	Duty of Customs	1.49	1996-2001	High Court
		1.14	1990-1994	Appellate Authority-Tribunal Level
		2,130.07		

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and government and outstanding dues to debenture holders during the year.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. In our opinion and according to the information and explanations given to us, the term loans taken by the Company has been applied for the purpose for which they were raised.
- xi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any material instances of fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xii. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xiii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with the related parties in compliance with provision of Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in standalone Ind AS financial statements as required under applicable Ind AS.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

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

Jamil Khatri
Partner
(Membership No. 102527)

Mumbai, 29th May, 2019

Annexure B to the Independent Auditors' report on the standalone financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2019

■ Report on the Internal Financial Controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra & Mahindra Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

■ Management's Responsibility for Internal Financial Controls

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

■ Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

■ Meaning of Internal Financial controls with Reference to Financial Statements

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

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

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

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

Jamil Khatri

Partner

(Membership No. 102527)

Mumbai, 29 May, 2019

Balance Sheet | as at 31st March 2019

Rupees crores

	Note No.	2019	2018
I. ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment.....	4	7,614.71	6,507.95
Capital work-in-progress.....		706.77	1,079.72
Intangible assets.....	5	2,467.04	1,351.46
Intangible assets under development.....		1,713.02	2,048.99
Financial assets			
(i) Investments.....	6	19,032.07	16,645.48
(ii) Loans.....	7	37.55	43.01
(iii) Other financial assets.....	8	494.18	512.87
Income tax assets (net).....		827.56	637.08
Other non-current assets.....	9	1,733.10	2,139.86
		34,626.00	30,966.42
CURRENT ASSETS			
Inventories.....	10	3,839.27	2,701.69
Financial assets			
(i) Investments.....	6	2,983.96	3,937.49
(ii) Trade receivables.....	11	3,946.30	3,172.98
(iii) Cash and cash equivalents.....	12	2,237.58	1,417.95
(iv) Bank balances other than cash and cash equivalents.....	12	1,494.08	1,475.78
(v) Loans.....	7	673.40	975.16
(vi) Other financial assets.....	8	556.22	627.34
Other current assets.....	9	2,321.84	2,061.79
Assets held for sale.....	13	18.41	110.10
		18,071.06	16,480.28
TOTAL ASSETS.....		52,697.06	47,446.70
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital.....	14	595.80	594.97
Other equity.....	15	33,613.43	29,699.07
		34,209.23	30,294.04
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	16	2,031.78	2,195.90
(ii) Other financial liabilities.....	17	451.18	398.49
Provisions.....	18	882.93	861.81
Deferred tax liabilities (net).....	19	634.13	277.24
Other non-current liabilities.....	20	153.74	90.20
		4,153.76	3,823.64
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	16	448.54	668.47
(ii) Trade payables –			
Total outstanding dues of Micro Enterprises and Small Enterprises.....	21	118.98	161.79
Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises...	21	9,559.17	8,441.61
(iii) Other financial liabilities.....	17	956.14	912.80
Other current liabilities.....	20	2,362.57	2,212.42
Provisions.....	18	688.67	667.39
Current tax liabilities (net).....		200.00	264.54
		14,334.07	13,329.02
TOTAL EQUITY AND LIABILITIES.....		52,697.06	47,446.70

The accompanying notes 1 to 39 are an integral part of the 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, 2019

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

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, 2019

Statement of Profit and Loss | for the year ended 31st March 2019

Rupees crores

	Note No.	2019	2018
INCOME			
Revenue from operations	22	53,614.00	49,444.99
Other income	23	1,688.97	1,036.36
Total Income		55,302.97	50,481.35
EXPENSES			
Cost of materials consumed.....	24	27,095.07	23,265.31
Purchases of stock-in-trade		12,111.61	10,674.47
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	(950.19)	194.87
Excise duty		—	759.44
Employee benefits expense	26	2,980.22	2,840.89
Finance costs.....	27	113.39	112.20
Depreciation and amortisation expense.....	4,5	1,860.40	1,479.42
Other expenses.....	28	5,867.23	5,614.45
		49,077.73	44,941.05
Less : Amounts capitalised		129.50	128.46
Total Expenses		48,948.23	44,812.59
Profit before exceptional items and tax		6,354.74	5,668.76
Exceptional items (net).....	29	(29.73)	433.61
Profit before tax		6,325.01	6,102.37
Tax expense			
Current tax.....	19	1,179.12	1,211.23
Deferred tax.....	19	349.85	535.13
Profit for the year		4,796.04	4,356.01
Other comprehensive income/(loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(13.60)	12.43
(b) Equity instruments through other comprehensive income		(0.73)	(4.31)
(ii) Income tax relating to items that will not be reclassified to profit or loss		4.75	(4.36)
B. (i) Items that will be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income.....		1.88	(0.98)
(b) Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge.....		31.84	(20.36)
(ii) Income tax relating to items that will be reclassified to profit or loss		(11.79)	7.41
Total other comprehensive income/(loss)		12.35	(10.17)
Total comprehensive income for the year		4,808.39	4,345.84
Earnings per equity share :			
(Face value Rs. 5/- per share) (Rupees)			
Basic	30	40.29	36.64
Diluted	30	40.13	36.47

The accompanying notes 1 to 39 are an integral part of the 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, 2019

Nadir B. Godrej
M. M. Murugappan
R. K. Kulkarni
Anupam Puri
Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
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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, 2019

Statement of Changes in Equity | for the year ended 31st March, 2019

(A) Equity Share Capital

	Rupees crores	
	2019	2018
Issued, Subscribed and Paid-up :		
Balance as at the beginning of the year	594.97	296.81
Add: Allotment of shares by ESOP Trust to Employees	0.83	0.55
Add: Issue of Bonus Shares (net of shares issued to ESOP Trust).....	—	297.36
Add: Shares issued under Scheme of Arrangement	—	0.25
Balance as at the end of the year.....	595.80	594.97

(B) Other Equity

	Reserves and Surplus						Items of other comprehensive income			Total	
	Share Pending Issuance	Capital Reserve	Securities Premium (refer note A)	General Reserve (refer note B)	Debt Redemption Reserve	Share Option Outstanding Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income		Effective portion of Cash Flow Hedges
As at 1st April, 2017	0.25	346.00	2,383.59	1,730.38	21.88	216.83	21,781.37	(0.15)	(0.13)	8.79	26,488.81
Profit for the year.....	—	—	—	—	—	—	4,356.01	—	—	—	4,356.01
Other Comprehensive Income / (Loss).....	—	—	—	—	—	—	8.07	(0.64)	(4.31)	(13.29)	(10.17)
Total Comprehensive Income for the year..	—	—	—	—	—	—	4,364.08	(0.64)	(4.31)	(13.29)	4,345.84
Dividend paid on Equity Shares (including tax thereon)	—	—	—	—	—	—	(925.25)	—	—	—	(925.25)
Transfers from retained earnings	—	—	—	—	14.38	—	(14.38)	—	—	—	—
Exercise of employee stock options.....	—	—	73.80	—	—	(73.80)	—	—	—	—	—
Allotment of shares by ESOP Trust to Employees.....	—	—	1.04	—	—	—	—	—	—	—	1.04
Allotment of bonus shares by ESOP Trust to Employees.....	—	—	(0.12)	(0.21)	—	—	—	—	—	—	(0.33)
On account of employee stock options lapsed.....	—	—	—	0.28	—	(0.28)	—	—	—	—	—
Share based payment to employees.....	—	—	—	—	—	86.58	—	—	—	—	86.58
Issue of Bonus Shares	—	—	(310.80)	—	—	—	—	—	—	—	(310.80)
Allotment of bonus shares to ESOP trust....	—	—	13.43	—	—	—	—	—	—	—	13.43
Shares allotted	(0.25)	—	—	—	—	—	—	—	—	—	(0.25)
As at 31st March, 2018.....	—	346.00	2,160.94	1,730.45	36.26	229.33	25,205.82	(0.79)	(4.44)	(4.50)	29,699.07

B) Other Equity (contd.)

Rupees crores

	Reserves and Surplus					Items of other comprehensive income				Total	
	Share Pending Issuance	Capital Reserve	Securities Premium (refer note A)	General Reserve (refer note B)	Debt Redemption Reserve	Share Option Outstanding Account	Retained Earnings	Debt instrument through Other Comprehensive Income	Equity instrument through Other Comprehensive Income		Effective portion of Cash Flow Hedges
As at 1 st April, 2018	—	346.00	2,160.94	1,730.45	36.26	229.33	25,205.82	(0.79)	(4.44)	(4.50)	29,699.07
Profit for the year.....	—	—	—	—	—	—	4,796.04	—	—	—	4,796.04
Other Comprehensive Income / (Loss).....	—	—	—	—	—	—	(8.85)	1.22	(0.73)	20.71	12.35
Total Comprehensive Income for the year..	—	—	—	—	—	—	4,787.19	1.22	(0.73)	20.71	4,808.39
Dividend paid on Equity Shares (including tax thereon)	—	—	—	—	—	—	(1,011.92)	—	—	—	(1,011.92)
Transfers from retained earnings.....	—	—	—	—	14.38	—	(14.38)	—	—	—	—
Exercise of employee stock options.....	—	—	89.79	—	—	(89.79)	—	—	—	—	—
Allotment of shares by ESOP Trust to Employees.....	—	—	23.83	—	—	—	—	—	—	—	23.83
Allotment of bonus shares by ESOP Trust to Employees.....	—	—	(0.41)	(0.04)	—	—	—	—	—	—	(0.45)
On account of employee stock options lapsed.....	—	—	—	0.13	—	—	—	—	—	—	—
Share based payment to employees.....	—	—	—	—	—	94.51	—	—	—	—	94.51
As at 31 st March, 2019.....	—	346.00	2,274.15	1,730.54	50.64	233.92	28,966.71	0.43	(5.17)	16.21	33,613.43

Remeasurement loss (net) on defined benefit plans Rs. 8.85 crores (2018 : gain of Rs. 8.07 crores) is recognised during the year as part of retained earnings.

Description of the nature and purpose of Other Equity:

Capital reserve: Capital reserve mainly represents the amount of net assets acquired over and above consideration paid consequent to the Scheme of Arrangement.

Securities premium: Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options.

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.

Debt redemption reserve: Debt redemption reserve is a statutory reserve (as per Companies Act, 2013) created out of profits of the Company available for payment of dividend for the purpose of redemption of Debentures issued by the Company. On completion of redemption, the reserve is transferred to retained earnings.

Share option outstanding account: Share option outstanding account represents reserve in respect of equity settled share options granted to the Company's employees in pursuance of the Employee Stock Option Plan.

Notes:

(A) The Company has reduced the share capital by Rs. 12.90 crores (2018: Rs. 13.27 crores) and securities premium by Rs. 230.71 crores (2018: Rs. 254.54 crores) for the 2,58,02,706 shares of Rs. 5 each (2018: 2,65,47,211 shares of Rs. 5 each) held by the ESOP Trust pending transfer to the eligible employees.

(B) The share capital of the Company has also been reduced and the general reserve increased by Nil (2018: Rs. 0.04 crores) for the Nil bonus shares of Rs. 5 each (2018: 82,548 bonus shares of Rs. 5 each) issued by the Company in September, 2005 to the ESOP Trust.

(C) The share capital of the Company has also been reduced and the securities premium increased by Rs. 12.90 crores (2018: Rs. 13.31 crores) for the 2,58,02,706 bonus shares of Rs. 5 each (2018: 2,66,29,759 bonus shares of Rs. 5 each) issued by the Company in December, 2017 to the ESOP Trust but not yet transferred by the ESOP Trust to the employees.

The accompanying notes 1 to 39 are an integral part of the 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, 2019

Nadir B. Godrej

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V. S. Parthasarathy

Narayan Shankar

Executive Chairman

Managing Director

Group Chief Financial Officer & Group CIO

Company Secretary

Mumbai, 29th May, 2019

Cash Flow Statement | for the year ended 31st March 2019

Rupees crores

	2019	2018
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before exceptional items and tax.....	6,354.74	5,668.76
Adjustments for :		
Depreciation and amortisation expenses.....	1,860.40	1,479.42
(Gain)/Loss on foreign exchange fluctuations (Net).....	(28.61)	55.14
Dividend on investment and interest income	(1,318.44)	(808.42)
Net gain arising on financial assets measured at fair value through profit or loss	(115.84)	(8.89)
Finance costs.....	113.39	112.20
Share based payment expenses	89.20	81.93
(Gain) on sale of current investments (Net)	(87.55)	(59.99)
Loss/(profit) on property, plant and equipment sold/scrapped/written off (net).....	(3.30)	15.27
	509.25	866.66
Operating profit before working capital changes.....	6,863.99	6,535.42
Changes in :		
Trade and other receivables.....	(660.74)	(1,783.74)
Inventories	(1,137.58)	56.32
Trade and other payables and provisions	1,292.34	3,507.75
	(505.98)	1,780.33
Cash generated from operations	6,358.01	8,315.75
Income taxes paid (net of refunds).....	(1,434.14)	(1,288.67)
NET CASH FROM OPERATING ACTIVITIES.....	4,923.87	7,027.08
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payments to acquire property, plant and equipment and intangible assets	(3,082.14)	(2,683.20)
Proceeds from sale of property, plant and equipment and intangible assets.....	50.54	14.39
Payments to acquire non-current investments – subsidiaries	(2,558.96)	(1,900.34)
Payments to acquire non-current investments – associates.....	(34.45)	(17.88)
Payments to acquire non-current investments – joint ventures.....	(198.72)	(484.59)
Payments to acquire other non-current investments	(2.04)	—
Payments to acquire current investments	(1,44,592.65)	(1,36,022.66)
Proceeds from sale of current investments	1,45,592.59	1,35,862.21
Share application money paid.....	—	(146.14)
Changes in earmarked balances and margin accounts with banks	(0.25)	3.76
Bank deposits placed.....	(1,733.00)	(1,874.09)
Bank deposits matured	1,714.95	1,539.80
Interest received.....	317.15	172.11
Dividends received.....	889.27	486.52
Inter-corporate deposits given.....	(1,010.00)	(1,119.55)
Inter-corporate deposits refunded	1,324.50	642.93
Exceptional Items :		
Proceeds from sale of non-current investments in subsidiaries, associates and joint ventures.....	774.50	416.31
NET CASH USED IN INVESTING ACTIVITIES.....	(2,548.71)	(5,110.42)

Cash Flow Statement (contd.)

	<i>Rupees crores</i>	
	2019	2018
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from borrowings.....	1,048.28	1,299.08
Repayment of borrowings	(1,420.81)	(1,239.86)
Dividends paid (including tax thereon).....	(1,011.74)	(923.01)
Interest, commitment and finance charges paid.....	(170.95)	(169.52)
NET CASH USED IN FINANCING ACTIVITIES.....	(1,555.22)	(1,033.31)
NET INCREASE IN CASH AND CASH EQUIVALENTS	819.94	883.35
Cash and cash equivalents at the beginning of the year	1,417.95	533.89
Unrealised gain/(loss) on foreign currency cash and cash equivalents.....	(0.31)	0.71
Cash and cash equivalents at the end of the year.....	2,237.58	1,417.95

Note :

The above Cash Flow Statement has been prepared under the "indirect method" as set out in 'Indian Accounting Standard (Ind AS) 7 – Statement of Cash Flows'.

The accompanying notes 1 to 39 are an integral part of the 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, 2019

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

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, 2019

Notes forming part of the Financial Statements | for the year ended 31st March 2019

1. General information

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

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

2. Significant Accounting Policies:

(a) Statement of compliance and basis of preparation and presentation

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

These standalone or separate financial statements were approved by the Company's Board of Directors and authorised for issue on 29th May, 2019.

(b) Basis of measurement

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

(c) Measurement of fair values

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

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

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

(d) Use of estimates and judgments

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

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

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

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

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

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

(ii) *Provision for product warranties*

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

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

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

(iv) *Impairment of investments*

The Company assesses impairment of investments in subsidiaries, associates and joint ventures which are recorded at cost. At the time when there are any indications that such investments have suffered a loss, if any, is recognised in the statement of Profit and Loss. The recoverable amount requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate.

2. Significant Accounting Policies: (contd.)

(e) Property, plant and equipment

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

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

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

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

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

<u>Asset Class</u>	<u>Useful lives</u>
(i) Certain items of Plant and Equipment	2 years, 3 years, 5 years, 7 years, 10 years, 20 years and 25 years as the case may be.
(ii) Buildings (Roads)	15 years
(iii) Vehicles	5 years

(f) Intangible assets

Intangible assets are initially recognised at cost.

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

Intangible assets under development

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

Other intangible assets

i) *Technical Knowhow*

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

ii) *Development Expenditure*

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

iii) *Brand license fee*

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

iv) *Software Expenditure*

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

v) *Others*

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

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

(g) Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash-generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset or a cash-generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) earlier.

2. Significant Accounting Policies: (contd.)

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

(h) Inventories

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

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

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

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

(i) Foreign exchange transactions and translation

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

(j) Investments in subsidiaries, associates and joint ventures

The Company accounts for its investments in subsidiaries, associates and joint ventures at cost less accumulated impairment, if any.

(k) Financial instruments

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

Classification and subsequent measurement

Financial assets

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

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

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

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

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

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

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

2. Significant Accounting Policies: (contd.)

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

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

Equity investments that are not designated to be measured at FVTOCI are designated to be measured at FVTPL. Subsequent changes in fair value are recognised in profit or loss.

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

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

Derecognition of financial assets

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

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

Offsetting

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

Financial guarantee contracts

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

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

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

Derivative financial instruments and hedge accounting

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

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

2. Significant Accounting Policies: (contd.)

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

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

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

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

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

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

Impairment of financial assets

The Company applies the Expected Credit Loss (ECL) model for recognising impairment loss on financial assets. With respect to trade receivables and loans, the Company measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVTOCI, the loss allowance is recognised in OCI and is not reduced from the carrying amount of the financial asset in the balance sheet.

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

(l) Revenue Recognition

Effective 01 April 2018, Ind AS 115 – 'Revenue from contracts with customers' has replaced Ind AS 18 – 'Revenue' and Ind AS 11 – 'Construction contracts'. The Company has applied Ind AS 115 – 'Revenue from Contracts with customers' ("hereinafter referred to as Ind AS 115") effective from 01 April 2018, using modified retrospective approach for the purpose of transition. Accordingly, comparatives for the previous period have not been restated. The application of Ind AS 115 did not have any material impact on the financial results of the Company.

Ind AS 115 specifies a uniform, five-step model for revenue recognition, which is generally to be applied to all contracts with customers. Amounts disclosed as revenue are inclusive of excise duty, in respect of revenue up to 30th June 2017, and net of customer returns, trade allowance, rebates, value added and other indirect taxes and amount collected on behalf of third parties.

Sale of goods

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

Sale of services

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

Dividend and interest income

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

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

(m) Government Grants

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

2. Significant Accounting Policies: (contd.)

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

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

(n) Employee Benefits

Superannuation Fund, ESIC and Labour Welfare Fund

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

Provident Fund

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

Long term Compensated Absences

Company's liability towards long term compensated absences are determined by independent actuaries, using the projected unit credit method.

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

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

The obligation on long term compensated absences and defined benefit plans are measured at the present value of estimated future cash flows using a discount rate that is determined by reference to the market yields at the balance sheet date on government bonds where the currency and terms of the government bonds are consistent with the currency and estimated terms of the obligation.

Remeasurement gains/losses

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

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

Employee Stock Option Scheme

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

(o) Borrowing Costs

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

(p) Income taxes

Current tax

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

Deferred tax

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

2. Significant Accounting Policies: (contd.)

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

Current and deferred tax for the year

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

(q) Provisions

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

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

(r) Leasing

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

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

The Company as lessor

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

The Company as lessee

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

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

3. Recent Accounting Pronouncements:

Standards issued but not yet effective:

In March 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019 and Companies (Indian Accounting Standards) (Second Amendment) Rules, 2019 notifying Ind AS 116 – 'Leases' and making amendments to various other Ind AS standards viz. Ind AS 12 – 'Income Taxes', Ind AS 19 – 'Employee benefits', Ind AS 23 – 'Borrowing Cost', Ind AS 28 – 'Investments in Associates and Joint Ventures', Ind AS 111 – 'Joint Arrangements', Ind AS 103 – 'Business Combinations' and Ind AS 109 – 'Financial Instruments'. 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, 2019.

3. Recent Accounting Pronouncements: (contd.)

Ind AS 116 – ‘Leases’:

This standard will supersede Ind AS 17 – ‘Leases’. It abolishes for lessees the previous classification of leasing agreements as either operating or finance leases. Instead, Ind AS 116 introduces a single lessee accounting model, requiring lessees to recognise assets for right to use assets and lease liability representing its obligation to make lease payments. This means that leases which were previously not reported in the Balance Sheet will have to be reported in subsequent reporting periods. The depreciation expense will include amortisation of right to use asset and finance costs will include interest expense on lease liability. Ind AS 116 also provides exception from recognition of right to use asset and lease liability where lease term is less than 12 months or leases for which underlying asset is of low value. In such cases, lease payments are recognised as an expense over lease term either on straight-line basis unless another systematic basis is representative of time pattern of the user’s benefit.

The Company does not expect any significant impact of the amendment on its financial statements.

Amendments to Ind AS 12 – ‘Income Taxes’:

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Further, the amendment to Appendix C specifies that when an entity is uncertain how tax laws applies to a particular transaction or circumstance until the relevant tax authorities or a court takes a decision in future and it is not probable that taxation authorities may accept entities tax position then entity is required to estimate effect of such uncertain position on income tax and deferred tax. The Company does not expect any significant impact of the amendment on its financial statements.

Amendment to Ind AS 19 – ‘Employee Benefits’:

The amendment clarifies that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendment has been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. There is no impact of the amendment on the Company’s financial statements.

Amendment to Ind AS 23 – ‘Borrowing Cost’:

The amendment clarifies borrowing costs related to specific borrowings that remain outstanding after the related qualifying asset is ready for intended use or sale should subsequently be considered as part of general borrowing costs of an entity.

The amendment does not have significant impact on the Company’s financial statements.

Amendment to Ind AS 28 – ‘Investments in Associates and Joint Ventures’:

The amendment specifies that entity shall apply Ind AS 109 before applying Ind AS 28 to long term interests in associates and joint ventures that form part of net investment in associate and joint venture but to which equity method is not applied.

The amendment is not applicable to the Company’s financial statements.

Amendment to Ind AS 103 – ‘Business Combination and Ind AS 111 – Joint Arrangements’:

The amendment to Ind AS 103 relating to re-measurement clarifies that when an entity obtains control of a business that is a joint operation, then the entity considers such an acquisition as a business combination achieved in stages and accounts for it accordingly i.e., it re-measures previously held interests in that business.

The amendment to Ind AS 111 clarifies that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

These amendment are not applicable to the Company’s financial statements.

Amendment to Ind AS 109 – ‘Financial instruments’:

The amendment relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

The amendment does not have any significant impact on the Company’s financial statements.

4. Property, Plant and Equipment

Rupees crores

Particulars	Land – Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Aircraft	Vehicles	Total
Cost								
Balance as at 1 st April, 2017	261.68	1,714.78	10,494.99	114.90	193.22	103.46	384.53	13,267.56
Additions during the year.....	0.71	146.08	767.53	10.29	10.61	—	81.40	1,016.62
Deductions during the year	—	0.55	66.99	1.49	1.19	—	55.08	125.30
Balance as at 31st March, 2018	262.39	1,860.31	11,195.53	123.70	202.64	103.46	410.85	14,158.88
Balance as at 1 st April, 2018	262.39	1,860.31	11,195.53	123.70	202.64	103.46	410.85	14,158.88
Additions during the year.....	16.16	66.00	2,119.29	8.85	7.11	—	94.33	2,311.74
Deductions during the year	6.59	8.58	288.93	12.26	15.80	—	70.53	402.69
Balance as at 31st March, 2019	271.96	1,917.73	13,025.89	120.29	193.95	103.46	434.65	16,067.93
Accumulated depreciation & impairment								
Balance as at 1 st April, 2017	—	434.27	5,870.39	80.45	120.95	26.63	198.15	6,730.84
Depreciation expense for the year.....	—	49.83	871.80	12.30	15.49	4.81	61.50	1,015.73
Deductions during the year	—	0.39	50.85	1.39	0.99	—	42.02	95.64
Balance as at 31st March, 2018	—	483.71	6,691.34	91.36	135.45	31.44	217.63	7,650.93
Balance as at 1 st April, 2018	—	483.71	6,691.34	91.36	135.45	31.44	217.63	7,650.93
Depreciation expense for the year.....	—	54.47	988.94	10.54	13.55	4.81	64.70	1,137.01
Deductions during the year	—	3.43	247.44	11.18	14.34	—	58.33	334.72
Balance as at 31st March, 2019	—	534.75	7,432.84	90.72	134.66	36.25	224.00	8,453.22
Net carrying amount								
Net carrying amount as at 31 st March, 2018..	262.39	1,376.60	4,504.19	32.34	67.19	72.02	193.22	6,507.95
Net carrying amount as at 31st March, 2019..	271.96	1,382.98	5,593.05	29.57	59.29	67.21	210.65	7,614.71

Notes:

- Additions during the year includes borrowing costs capitalised Rs. 41.24 crores (2018 : Rs. 1.56 crores)
 - Buildings include Rs. * crores (2018 : Rs. * crores) being the value of shares in co-operative housing societies.
- * denotes amounts less than Rs. 50,000.

5. Intangible Assets

Rupees crores

Particulars	Development Expenditure (Internally Generated)	Brand Licence	Computer Softwares	Others (refer note b)	Total
Cost					
Balance as at 1st April, 2017	1,939.13	129.16	87.94	53.48	2,209.71
Additions during the year.....	566.24	—	14.59	—	580.83
Deductions during the year	8.83	—	9.12	53.48	71.43
Balance as at 31st March, 2018	2,496.54	129.16	93.41	—	2,719.11
Balance as at 1st April, 2018	2,496.54	129.16	93.41	—	2,719.11
Additions during the year.....	1,824.85	—	14.12	—	1,838.97
Deductions during the year	89.86	—	17.83	—	107.69
Balance as at 31st March, 2019	4,231.53	129.16	89.70	—	4,450.39
Accumulated amortisation & impairment					
Balance as at 1st April, 2017	854.96	3.59	63.36	53.48	975.39
Amortisation expense for the year	440.10	4.31	19.28	—	463.69
Deductions during the year	8.83	—	9.12	53.48	71.43
Balance as at 31st March, 2018	1,286.23	7.90	73.52	—	1,367.65
Balance as at 1st April, 2018	1,286.23	7.90	73.52	—	1,367.65
Amortisation expense for the year	700.69	4.31	18.39	—	723.39
Deductions during the year	89.86	—	17.83	—	107.69
Balance as at 31st March, 2019	1,897.06	12.21	74.08	—	1,983.35
Net carrying amount					
Net carrying amount as at 31 st March, 2018.....	1,210.31	121.26	19.89	—	1,351.46
Net carrying amount as at 31st March, 2019	2,334.47	116.95	15.62	—	2,467.04

Note:

- Additions during the year includes Borrowing costs capitalised **Rs. 35.94 crores** (2018 : Rs. 11.25 crores)
- Intangible – Others include congeries of rights, non compete fees, trade marks etc.

6. Investments

A. Non-Current

Particulars	Face Value Per Unit (Rupees)	2019		2018	
		Number	Rupees crores	Number	Rupees crores
Investments in Equity Instruments (fully paid-up)					
Quoted					
(A) At Cost					
(i) In Subsidiary Companies					
Equity shares					
Mahindra Lifespace Developers Limited.....	10	2,64,39,850	440.28	2,64,39,850	440.28
Mahindra & Mahindra Financial Services Limited	2	31,62,07,660	1,205.91	31,62,07,660	1,205.91
Mahindra Holidays & Resorts India Limited	10	8,98,90,615	24.72	8,98,90,615	24.72
Ssangyong Motor Company (Listed on a Stock Exchange outside India)	KRW 5000	11,18,55,108	2,450.25	9,99,64,502	2,133.94
Mahindra EPC Irrigation Limited (formerly known as EPC Industrie Limited).....	10	1,51,44,433	77.75	1,51,44,433	77.75
Mahindra Logistics Limited	10	4,18,12,157	41.81	4,18,12,157	41.81
			4,240.72		3,924.41
(ii) In Associate Companies					
Equity shares					
Swaraj Engines Limited	10	40,39,206	1.60	40,39,206	1.60
Tech Mahindra Limited.....	5	25,15,48,691	985.57	25,62,48,704	1,003.98
			987.17		1,005.58
(B) Designated and carried at FVTOCI					
(i) In Other Companies					
Equity shares.....			1.33		2.06
			1.33		2.06
			5,229.22		4,932.05
Unquoted					
(A) At Cost					
(i) In Subsidiary Companies					
Equity shares					
Mahindra Engineering and Chemical Products Limited	10	11,64,50,934	962.89	10,08,79,506	853.89
Mahindra USA Inc.....	US \$ 0.25	45,60,00,000	755.08	5,60,00,000	66.37
Gromax Agri Equipment Limited	10	59,73,218	4.29	59,73,218	4.29
Mahindra Agri Solutions Limited	10	6,81,63,987	278.15	6,81,63,987	278.15
Bristlecone Limited	US \$ 0.001	—	—	42,22,250	19.26
Mahindra and Mahindra South Africa (Proprietary) Limited.....	ZAR 1	5,20,00,000	28.54	5,20,00,000	28.54
Mahindra Overseas Investment Company (Mauritius) Limited	US \$ 1	23,55,79,209	1,412.65	18,05,79,209	1,022.73
Mahindra Trucks and Buses Limited.....	0.20	4,66,74,78,380	144.51	4,66,74,78,380	144.51
Mahindra Vehicle Manufacturers Limited	10	4,06,47,23,484	4,064.72	4,05,77,23,484	4,057.72
Mahindra Holdings Limited	10	2,06,75,49,450	2,067.55	1,16,14,06,535	1,161.41
Mahindra Consulting Engineers Limited	10	11,51,000	1.25	11,51,000	1.25
NBS International Limited	10	2,45,50,474	25.30	2,45,50,474	25.30
Mahindra Automotive Australia Pty. Limited.....	AUD 1	45,75,000	21.16	45,75,000	21.16
Mahindra Defence Systems Limited	10	1,67,23,655	292.95	1,59,05,994	272.95
Mahindra 'Electoral Trust' Company.....	10	50,000	0.05	50,000	0.05
Mahindra eMarket Limited.....	10	3,59,865	0.02	3,59,865	0.02

6. Investments (contd.)
 A. Non-Current (contd.)

Particulars	Face Value Per Unit (Rupees)	2019		2018	
		Number	Rupees crores	Number	Rupees crores
Trringo.com Limited.....	10	2,74,60,000	27.46	2,06,00,000	20.60
Mahindra Two Wheelers Europe Holdings S.a.r.l.	EUR 1	1,49,00,000	188.71	1,49,00,000	188.71
Mahindra do Brasil Industrial Ltda.(quotas).....	BRL 1	2,39,73,450	50.56	2,39,73,450	50.56
Orizonte Business Solutions Limited	10	2,26,31,262	21.85	2,26,31,262	21.85
Mahindra & Mahindra Contech Limited.....	10	35,000	0.04	35,000	0.04
Kota Farm Services Limited.....	10	2,73,420	—	2,73,420	—
Mahindra Construction Company Limited.....	10	9,00,000	—	9,00,000	—
Officemartindia.com Limited	10	7,49,997	—	7,49,997	—
Mitsubishi Mahindra Agricultural Machinery Co., Limited					
– Equity share.....	NA	1	42.53	1	42.53
– Class A Shares.....	NA	3	149.06	3	149.06
Mahindra Waste To Energy Solutions Limited	10	1,85,10,000	18.51	25,10,000	2.51
Mahindra Telecom Energy Management Services Limited.....	10	50,000	0.05	10,000	0.01
Mahindra Automotive Mauritius Limited.....	EUR 1	3,05,75,001	245.12	—	—
			10,803.00		8,433.47
Preference shares (classified as equity instruments)					
Series 'A' Preference Shares: Bristlecone Limited	US \$ 0.001	—	—	77,75,147	31.72
Series 'B' Preference Shares: Bristlecone Limited	US \$ 0.001	—	—	69,20,000	15.13
0.01% Compulsory Convertible Cumulative Preference Shares: Orizonte Business Solutions Limited	10	45,31,972	14.95	45,31,972	14.95
			14.95		61.80
			10,817.95		8,495.27
(ii) In Trust Securities					
M&M Benefit Trust			1,459.77		1,459.77
Sunrise Initiatives Trust.....			52.30		52.30
Mahindra World Motor Driving School Trust.....			0.01		0.01
M&M Fractional Entitlement Trust.....			0.01		0.01
			1,512.09		1,512.09
(iii) In Associate Companies					
Equity Shares					
PSL Media & Communications Limited	5	19,750	0.01	19,750	0.01
Sampo Rosenlew Oy^	NA	—	—	1,050	110.49
PF Holdings B.V.	EUR 1	1,83,36,050	185.76	1,83,36,050	185.76
Carnot Technologies Private Limited^	10	—	—	1,296	1.07
			185.77		297.33
Preference shares (classified as equity instruments)					
Series A Compulsory Convertible Cumulative Preference shares: Carnot Technologies Private Limited^	100	—	—	6,074	5.00
Series C Preferred shares: Resson Aerospace Corporation	NA	8,00,402	34.45	—	—
			34.45		5.00
			220.22		302.33

6. Investments (contd.)

A. Non-Current (contd.)

Particulars	Face Value Per Unit (Rupees)	2019		2018	
		Number	Rupees crores	Number	Rupees crores
(iv) In Joint Venture Companies					
Equity Shares					
Mahindra Sanyo Special Steel Private Limited....	10	34,75,264	145.13	34,75,264	145.13
Classic Legends Private Limited	10	8,53,28,000	86.04	6,13,28,000	62.04
Mahindra Aerospace Private Limited.....	10	61,28,70,326	852.69	48,21,20,326	721.94
M.I.T.R.A Agro Equipments Private Limited	10	68,413	8.90	68,413	8.90
Sampo Rosenlew Oy^	NA	1,872	132.35	—	—
Carnot Technologies Private Limited^	10	1,296	1.07	—	—
Mahindra Ideal Lanka (Private) Limited	LKR 1000	1,75,000	6.79	—	—
			1,232.97		938.01
Preference shares (classified as equity instruments)					
5% Non Cumulative Compulsory Convertible Preference Shares: Mahindra Aerospace Private Limited.....	10	50,00,000	5.00	50,00,000	5.00
Series P1 Preference Shares: Zoomcar India Private Limited.....	10	3,63,752	129.13	3,63,752	129.13
Series C Compulsorily Convertible Cumulative Participating Preference Shares: Resfeber Labs Private Limited.....	10	2,46,280	50.05	2,46,280	50.05
Series A Compulsory Convertible Cumulative Preference Shares: Carnot Technologies Private Limited.....	100	6,074	5.00	—	—
Cumulative Compulsory Convertible Preference Shares: Sampo Rosenlew Oy.....	NA	192	15.32	—	—
			204.50		184.18
			1,437.47		1,122.19
(B) Designated and carried at FVTOCI					
(i) In Other Companies					
Equity shares.....			0.31		0.31
			0.31		0.31
Investments in Equity Instruments (Total)			19,217.26		16,364.24
Investments in Debt instruments:					
Unquoted					
(A) At Amortised Cost					
(i) In Subsidiary Companies					
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares: Mahindra Vehicle Manufacturers Limited	10	60,00,00,000	600.00	60,00,00,000	600.00
10.00% Non-Cumulative Redeemable Participating Preference Shares: Mahindra Construction Company Limited.....	100	5,40,000	—	5,40,000	—
			600.00		600.00
(ii) Others			*		*
Investments in Debt Instruments (Total).....			600.00		600.00

6. Investments (contd.)

A. Non-Current (contd.)

Particulars	Face Value Per Unit (Rupees)	2019		2018	
		Number	Rupees crores	Number	Rupees crores
Other Non Current Investments					
Unquoted					
Carried at FVTPL					
Investment in Alternate Investment Fund			3.90		2.31
Other Non Current Investments (Total)			3.90		2.31
Total Non Current Investments (Gross)			19,821.16		16,966.55
Less : Aggregate amount of impairment in value of investments			(789.09)		(321.07)
Total Non Current Investments (Net)			19,032.07		16,645.48
Other Disclosures					
(i) Aggregate amount of quoted investments (Gross).....			5,229.22		4,932.05
Market Value of quoted investments [includes Rs. 3,468.40 crores (2018 : Rs. 3,033.52 crores) in respect of investment listed on a Stock Exchange outside India]			42,340.50		40,819.79
(ii) Aggregate amount of unquoted investments (Gross) ..			14,591.94		12,034.50

Notes :

 ^ During the year ended 31st March, 2019 status changed from associate to joint venture of the Company.

* denotes amounts less than Rs. 50,000.

B. Current

Particulars	Rupees crores	
	2019	2018
Quoted :		
Carried at FVTPL		
Investments in Mutual Funds.....	2,034.14	2,549.45
Investments in Market Linked Debentures.....	104.32	105.67
	2,138.46	2,655.12
Carried at FVTOCI		
Investments in Equity Instruments	0.01	0.01
Investments in Debentures and Bonds	56.22	147.13
	56.23	147.14
	2,194.69	2,802.26
Unquoted :		
Carried at FVTOCI		
Investments in Certificate of Deposits	481.93	641.24
Investments in Commercial Papers (refer note 29).....	107.34	93.99
	589.27	735.23
Carried at Amortised cost		
Investments in Corporate Fixed Deposits	200.00	400.00
	200.00	400.00
Total Current Investments	2,983.96	3,937.49
Other Disclosures		
(i) Aggregate amount of quoted investments (Gross)	2,194.69	2,802.26
Market Value of quoted investments.....	2,194.69	2,802.26
(ii) Aggregate amount of unquoted investments (Gross)	789.27	1,135.23

7. Loans

Rupees crores

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
(a) Loans to related parties (refer note 35)				
Unsecured, considered good	579.09	9.51	654.87	16.71
Doubtful	5.27	17.00	5.27	10.00
	584.36	26.51	660.14	26.71
Less: Allowance for Expected Credit Loss.....	5.27	17.00	5.27	10.00
Total (a)	579.09	9.51	654.87	16.71
(b) Other Loans				
Unsecured, considered good	94.31	28.04	320.29	26.30
Doubtful	5.98	—	5.98	—
	100.29	28.04	326.27	26.30
Less: Allowance for Expected Credit Loss.....	5.98	—	5.98	—
Total (b)	94.31	28.04	320.29	26.30
Total Loans	673.40	37.55	975.16	43.01

- (a) Non-Current Loans to Related Parties includes Loan to a Director of Rs. 9.51 crores (2018 : Rs. 9.06 crores).
 (b) Other Current and Non-Current Loans mainly includes loans to employees and loans given to other companies.
 (c) Loans given to employees as per the Company's policy are not considered for the purposes of disclosure under Section 186(4) of the Companies Act, 2013.

8. Other Financial Assets

Rupees crores

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Financial assets at amortised cost:				
Security Deposits.....	26.66	32.67	26.73	31.70
Bank Deposits.....	—	9.28	—	9.28
Interest accrued.....	166.22	—	161.41	—
Other financial assets	241.80	240.49	433.39	279.43
Carried at Fair Value:				
Derivative financial assets	39.85	—	5.81	7.45
Derivatives on Interest over Subsidiaries, Associates and Joint Ventures....	81.69	211.74	—	185.01
Total Other Financial Assets	556.22	494.18	627.34	512.87

Other Financial Assets include receivables for oil royalty income, scrap sales, incentive receivables and other recoverable expenses.

Derivative financial assets includes foreign currency forwards, commodity derivatives in the nature of forward contracts, interest rate swaps and options.

9. Other Assets (Non Financial)

Rupees crores

Particulars	2019		2018	
	Current	Non-Current	Current	Non-Current
Capital Advances.....	—	518.47	—	645.98
Other Advances.....	2,321.84	1,214.63	2,061.79	1,493.88
Total Other Assets (Non Financial)	2,321.84	1,733.10	2,061.79	2,139.86

Other advances include advances to suppliers, prepaid expenses, export benefits receivable, other recoverable expenses, balances with government authorities (other than income taxes) and Goods and Services Tax (GST) receivable etc.

10. Inventories
Rupees crores

Particulars	2019	2018
Raw Materials and Bought-out Components [includes in transit Rs. 144.85 crores ; 2018 : Rs 95.79 crores]	1,141.97	967.07
Work-in-Progress.....	126.35	93.37
Finished Products Produced.....	1,670.61	1,013.63
Stock-in-Trade [includes in transit Rs. 58.81 crores ; 2018 : Rs 34.70 crores].....	629.18	381.80
Manufactured Components.....	146.59	133.74
Stores and Spares.....	68.97	64.22
Tools.....	55.60	47.86
Total Inventories	3,839.27	2,701.69

- (a) The amount of inventories recognised as an expense **Rs. 43,906.19 crores** (2018 : Rs 39,448.41 crores) including **Rs. 42.43 crores** (2018 : 40.00 crores) in respect of write-down of inventories to net realisable value, and has been reduced by **Rs. 14.84 crores** (2018 : Rs. 34.30 crores) in respect of the reversal of such write downs. Reversal in provision is due to sale and/or consumption of inventories provided for in earlier years.
- (b) The Company has availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, some of which are secured by hypothecation of inventories.
- (c) Mode of valuation of inventories is stated in Note 2(h).

11. Trade Receivables
Rupees crores

Particulars	2019	2018
Unsecured, considered good.....	3,946.30	3,172.98
Doubtful.....	69.54	49.25
	4,015.84	3,222.23
Less: Allowance for Expected Credit Loss.....	69.54	49.25
Total Trade Receivables	3,946.30	3,172.98

Refer Note 34 - 2(b).

12. Cash and Bank Balances
Rupees crores

Particulars	2019	2018
Cash and cash equivalents		
Balances with banks		
– On Current Accounts.....	1,715.24	1,079.79
– Fixed Deposits with original maturity less than 3 months.....	224.23	146.20
	1,939.47	1,225.99
Cheques, drafts on hand (including in transit).....	297.99	191.80
Cash on hand.....	0.12	0.16
Total Cash and cash equivalents	2,237.58	1,417.95
Bank Balances other than Cash and Cash Equivalents		
Earmarked balances with banks.....	19.91	19.72
Balances with Banks on Margin Accounts.....	2.17	2.11
Fixed Deposits.....	1,472.00	1,453.95
Total Other Bank balances	1,494.08	1,475.78

13. Assets held for sale

- (a) During March 2019, the Company tendered 47,00,013 equity shares of Tech Mahindra Limited in the share buy-back scheme at Rs. 950 per equity share.
- (b) The Company had on 9th February, 2018, entered into an agreement, subject to requisite approvals, to sell 26,36,401 Equity shares of Rs. 10 each in Mahindra Sanyo Special Steel Private Limited (MSSSPL) aggregating 22% of the paid-up Equity Share Capital of MSSSPL, to Sanyo Special Steel Co. Ltd. for a consideration of Rs. 146.32 crores. The shares had since been transferred and the transaction has been concluded during financial year 2018-2019.

14. Equity Share Capital

Rupees crores

Particulars	2019	2018
Authorised:		
8,10,00,00,000 (2018 : 8,10,00,00,000) Ordinary (Equity) Shares of Rs. 5 each	4,050.00	4,050.00
25,00,000 Unclassified Shares of Rs. 100 each	25.00	25.00
	4,075.00	4,075.00
Issued and Subscribed and Paid-up:		
1,24,31,92,544 (2018 : 1,24,31,92,544) Ordinary (Equity) Shares of Rs. 5 each fully paid up	621.60	621.60
Less:		
5,16,05,412 (2018 : 5,32,59,518) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to ESOP Trust but not yet allotted to employees	25.80	26.63
Adjusted Issued, Subscribed and Paid-up Share Capital	595.80	594.97

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

Particulars	2019		2018	
	No. of Shares	Rupees Crores	No. of Shares	Rupees Crores
Issued, Subscribed and Paid-up :				
Balance as at the beginning of the year	1,24,31,92,544	621.60	62,10,92,384	310.55
Add: Shares issued under Scheme of Arrangement	—	—	5,03,888	0.25
	1,24,31,92,544	621.60	62,15,96,272	310.80
Add: 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	1,24,31,92,544	621.60
Less: Shares issued to ESOP Trust but not allotted to Employees	5,16,05,412	25.80	5,32,59,518	26.63
Adjusted Issued, Subscribed and Paid-up Share Capital	1,19,15,87,132	595.80	1,18,99,33,026	594.97

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

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

Name of the Shareholder	2019		2018	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Prudential Management and Services Pvt. Ltd.	14,15,21,940	11.38	14,15,21,940	11.38
Life Insurance Corporation of India	12,32,82,698	9.92	10,83,68,931	8.72
M&M Benefit Trust	10,36,70,428	8.34	10,36,70,428	8.34
J.P. Morgan Chase Bank, N.A. (for GDR holders)	—	—	7,21,86,492	5.81

d. For the period of preceding five years as on the Balance Sheet date, Issued, Subscribed and Paid-up Share Capital includes:

- Aggregate of 5,03,888 (2018 : 5,03,888) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up pursuant to Scheme of Arrangement without payment being received in cash.
- Aggregate of 62,15,96,272 (2018 : 62,15,96,272) Ordinary (Equity) Shares allotted as fully paid up by way of bonus shares.

15. Other Equity

Details of Dividends proposed:

Rupees crores

Particulars	2019	2018
Dividend per share (Rupees)	8.50	7.50
Dividend on Equity Shares	1,056.71	932.39
Dividend Distribution Tax	130.64	122.14
Total Dividend including Dividend Distribution Tax	1,187.35	1,054.53

16. Borrowings
a) Long Term Borrowings
i) Non Current borrowings

<i>Rupees crores</i>		
Particulars	2019	2018
Unsecured (Carried at Amortised Cost) :		
Debentures	973.84	973.72
Term Loan From Banks	387.28	402.66
Other loans	670.66	819.52
Total Unsecured Borrowings	2,031.78	2,195.90

(a) Debentures:

<i>Rupees crores</i>		
Particulars	2019	2018
– 9.55% p.a. Senior Redeemable Non-Convertible Debentures maturing in July 2063	500.00	500.00
– 7.57% p.a. Redeemable Non-Convertible Debentures maturing in September 2026	475.00	475.00
Less : Unamortised finance cost	1.16	1.28
	973.84	973.72

(b) Term loan from banks comprise of EURO External Commercial Borrowings carrying an average margin of 95 basis points over three month EURO LIBOR and are repayable after five years and one day from the date of respective availment of loan.

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

ii) Current maturities of long term borrowings

<i>Rupees crores</i>		
Particulars	2019	2018
Debentures	0.01	0.01
Other Loans	91.01	93.70
Total	91.02	93.71

Refer Note 17.

b) Short Term Borrowings

<i>Rupees crores</i>		
Particulars	2019	2018
Unsecured (Carried at Amortised Cost):		
Term Loan from Banks	300.00	668.47
Other Loan from Bank	148.54	—
Total Short Term Borrowings	448.54	668.47

Unsecured Borrowings:

Term loan from banks consists of Rupee packing credit facility under Interest equalisation scheme carrying fixed interest rate ranging from 4.50% p.a. to 5.15% p.a. repayable within a year from the date of availment of loan.

Other loan from bank consists of arrangement of debt factoring with recourse carrying fixed interest rate of 7.90% p.a. repayable within a year from the date of availment of loan.

Reconciliation of movement in borrowings to cash flows from financing activities:

<i>Rupees crores</i>		
Particulars	2019	2018
Opening balance		
– Long Term Borrowings	2,195.90	2,233.99
– Short Term Borrowings (other than loans repayable on demand)	668.47	526.68
– Current maturities of Long term borrowings	93.71	78.21
– Unclaimed matured Deposits	0.50	0.84
Total Opening Balance	2,958.58	2,839.72

16. Borrowings (contd.)

b) Short Term Borrowings (contd.)

Rupees crores

Particulars	2019	2018
a) <i>Cash flow movements</i>		
– Proceeds from borrowings	1,048.28	1,299.08
– Repayment of borrowings.....	(1,420.81)	(1,239.86)
	(372.53)	59.22
b) <i>Non-cash movements</i>		
– Effect of amortisation of loan origination costs	0.56	0.51
– Foreign exchange translation.....	(15.10)	59.13
	(14.54)	59.64
Closing Balance		
– Long Term Borrowings	2,031.78	2,195.90
– Short Term Borrowings (other than loans repayable on demand)	448.54	668.47
– Current maturities of Long term borrowings	91.02	93.71
– Unclaimed matured Deposits.....	0.17	0.50
Total Closing Balance	2,571.51	2,958.58

17. Other Financial Liabilities

Rupees crores

Particulars	2019		2018	
	Current	Non Current	Current	Non Current
Carried at Amortised Cost:				
Current maturities of long-term borrowings	91.02	—	93.71	—
Interest accrued and not due on borrowings	20.98	—	22.75	—
Unclaimed dividends.....	19.91	—	19.72	—
Unclaimed matured deposits	0.17	—	0.50	—
Security Deposits	—	86.33	—	82.11
Other liabilities.....	818.92	295.74	760.09	292.24
Carried at Fair Value:				
Derivative financial Liabilities.....	5.14	47.88	16.03	—
Derivatives on Interest in Subsidiaries, Associates and Joint Ventures.....	—	21.23	—	24.14
Total other financial liabilities.....	956.14	451.18	912.80	398.49

Other liabilities include salaries and wages payable, capital creditors, brand licenses payable and monies adjusted from share capital and reserves & surplus on account of shares held by ESOP Trust pending transfer to the eligible employees.

18. Provisions

Rupees crores

Particulars	2019		2018	
	Current	Non Current	Current	Non Current
Provision for Employee Benefits.....	245.25	576.04	220.77	589.99
Provision for Warranty	319.98	275.57	296.08	232.47
Provision for Service coupons	123.44	31.32	150.54	39.35
Total Provisions	688.67	882.93	667.39	861.81

Provision for warranty relates to provision made in respect of sale of certain products, the estimated cost of which is accrued at the time of sale. The products are generally covered under a free warranty period ranging from 6 months to 5 years.

18. Provisions (contd.)

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

Rupees crores

Particulars	2019		2018	
	Provision for Warranty	Provision for Service coupons	Provision for Warranty	Provision for Service coupons
Opening Balance.....	528.55	189.89	440.25	134.03
Additional provisions recognised	297.38	115.90	300.63	151.31
Amounts used during the period.....	(262.88)	(156.29)	(238.86)	(99.64)
Unwinding of discount.....	32.50	5.26	26.53	4.19
Closing Balance.....	595.55	154.76	528.55	189.89

19. Income Taxes
Deferred Tax (Assets)/Liabilities (Net)
Rupees crores

Particulars	Balance as at 31-3-2017	Charge/ (credit) to Profit or Loss	Charge/ (credit) to OCI	Balance as at 31-3-2018	Charge/ (credit) to Profit or Loss	Charge/ (credit) to OCI	Balance as at 31-3-2019
Allowances on Property, Plant and Equipment and Other Intangible Assets...	1,570.00	180.78	—	1,750.78	390.48	—	2,141.26
Provision for employee benefits.....	(183.05)	(22.72)	4.36	(201.41)	(99.26)	(4.75)	(305.42)
Allowances for credit losses.....	(37.52)	(3.73)	—	(41.25)	(5.12)	—	(46.37)
Long term capital losses.....	—	—	—	—	(116.20)	—	(116.20)
Minimum Alternate Tax Credit.....	(1,625.20)	378.49	—	(1,246.71)	130.36	—	(1,116.35)
Others	20.93	2.31	(7.41)	15.83	49.59	11.79	77.21
Total Deferred Tax (Assets)/Liabilities (Net)...	(254.84)	535.13	(3.05)	277.24	349.85	7.04	634.13

Income Tax recognised in profit or loss
Rupees crores

Particulars	2019	2018
Current Tax:		
In respect of current year	1,344.19	1,213.46
In respect of prior years.....	(165.07)	(2.23)
	1,179.12	1,211.23
Deferred Tax:		
In respect of current year origination and reversal of temporary differences	474.95	518.22
Recognition of deferred tax asset on previous year capital losses	(116.20)	—
Adjustments due to changes in tax rates.....	—	14.68
In respect of prior years.....	(8.90)	2.23
	349.85	535.13
Total Income Tax recognised in profit or loss.....	1,528.97	1,746.36

Income tax recognised in Other comprehensive income
Rupees crores

Particulars	2019	2018
Deferred tax related to items recognised in other comprehensive income during the year:		
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge....	(11.13)	7.07
Net fair value gain on investments in debt instruments at FVTOCI.....	(0.66)	0.34
Remeasurement of defined benefit plans.....	4.75	(4.36)
Total Income tax recognised in Other comprehensive income	(7.04)	3.05

19. Income Taxes (contd.)

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

Particulars	Rupees crores	
	2019	2018
Profit before tax	6,325.01	6,102.37
Applicable Income tax rate.....	34.94%	34.61%
Expected income tax expense.....	2,210.21	2,111.91
Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
Effect of income exempt from tax / non taxable on compliance of conditions.....	(494.67)	(358.90)
Effect of concessions (Research and Development and other allowances).....	(99.09)	(117.25)
Effect of expenses/provisions not deductible in determining taxable profit.....	290.98	80.87
Adjustments due to changes in tax rates.....	—	14.68
Effect of recognition of deferred tax asset on previous year capital losses.....	(116.20)	—
Write back of tax provision of earlier years	(173.97)	—
Others	(88.29)	15.05
Reported income tax expense.....	1,528.97	1,746.36

The amount and expiry period of unused capital losses for which no deferred tax asset is recognised in the Balance Sheet

Expiry Period	Rupees crores	
	2019	2018
Upto Five years	—	718.88

20. Other Non Financial Liabilities

Particulars	2019		2018	
	Current	Non Current	Current	Non Current
Advance received from customers			314.52	90.20
Contract Liabilities	384.46	153.74		
Others	1,978.11	—	1,897.90	—
Total Other Non Financial Liabilities.....	2,362.57	153.74	2,212.42	90.20

Others mainly include government dues, taxes payable, GST payable and salary deductions payable.

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

21. Trade Payables

Particulars	Rupees crores	
	2019	2018
Total outstanding dues of micro enterprises and small enterprises	118.98	161.79
Total outstanding dues other than micro enterprises and small enterprises		
– Trade payable - Other than Micro and small enterprises (includes Outstanding dues of Medium enterprises)	8,683.05	7,594.69
– Acceptances.....	876.12	846.92
	9,559.17	8,441.61
Total Trade Payables.....	9,678.15	8,603.40

21. Trade Payables (contd.)

Micro, Small and Medium enterprises have been identified by the Company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosures as per the Micro, Small and Medium Enterprises Development Act, 2006 (hereinafter referred to as "the MSMED Act") are given below:

Rupees crores

Particulars	2019	2018
(a) Dues remaining unpaid at the end of each accounting year for micro and small enterprises		
– Principal.....	10.77	93.38
– Interest on the above	0.14	0.44
(b) Interest paid in terms of Section 16 of the MSMED Act along with the amount of payment made to the supplier beyond the appointed day during the year		
– Principal paid beyond the appointed date.....	917.88	1,168.99
– Interest paid in terms of Section 16 of the MSMED Act.....	1.70	2.99
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	3.06	3.42
(d) Further interest due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.....	1.97	1.30
(e) Amount of interest accrued and remaining unpaid.....	5.17	5.16

22. Revenue from Operations*

Rupees crores

Particulars	2019	2018
Sale of products.....	52,222.45	48,288.43
Sale of Services.....	738.35	583.33
Gross Revenue from Sale of Products and Services.....	52,960.80	48,871.76
Other operating revenue:		
(i) Scrap Sales.....	124.75	103.46
(ii) Government Grant and Incentives (including export benefits)	245.08	236.42
(iii) Others.....	283.37	233.35
Total Revenue from Operations	53,614.00	49,444.99

* 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, 2019 are not comparable with the previous periods presented in the above table.

Revenue from operations comprises of:

Rupees crores

Particulars	2019
(a) From contract with customers for goods and services	
Sale of products.....	52,222.45
Sale of services.....	738.35
Other operating revenue.....	384.30
	53,345.10
(b) From other sources of revenue	
Other operating revenue	
– Government grant and incentives.....	245.08
– Others.....	23.82
	268.90

22. Revenue from Operations (contd.)

Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

Rupees crores

Particulars	2019
Revenue from contract with customer as per the contract price	56,479.65
Less: Trade discounts, volume rebates, returns etc.....	(3,134.55)
Revenue from contract with customer as per the statement of Profit and Loss	53,345.10

Revenue disaggregation as per nature of products and services and geography has been included in segment information (refer note 36).

23. Other Income

Rupees crores

Particulars	2019	2018
(a) Interest Income		
– On Financial Assets measured at Amortised Cost	301.04	214.50
– On Financial Assets at Fair Value Through Other Comprehensive Income.....	64.71	50.20
(b) Dividend Income		
– On equity investments in subsidiaries, associates and JV's	888.99	486.19
– Mutual fund at Fair Value through Profit or Loss	63.70	57.53
(c) Net Gain arising on financial assets/ liabilities measured at Fair Value through profit or loss.....	203.84	68.77
(d) Other non operating income (net of directly attributable expenses).....	166.69	159.17
Total Other Income	1,688.97	1,036.36

24. Cost of materials consumed

Rupees crores

Particulars	2019	2018
Opening inventory.....	967.07	832.94
Add: Purchases	27,269.97	23,399.44
	28,237.04	24,232.38
Less: Closing inventory	1,141.97	967.07
Total Cost of materials consumed.....	27,095.07	23,265.31

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

Rupees crores

Particulars	2019	2018
Opening inventory:		
Finished goods produced	1,013.63	1,219.44
Work-in-progress.....	93.37	89.51
Stock-in-trade	381.80	409.39
Manufactured Components	133.74	99.07
	1,622.54	1,817.41
Less: Closing inventory:		
Finished goods Produced	1,670.61	1,013.63
Work-in-progress.....	126.35	93.37
Stock-in-trade	629.18	381.80
Manufactured Components	146.59	133.74
	2,572.73	1,622.54
Net (increase)/decrease in inventory	(950.19)	194.87

26. Employee Benefits Expense
Rupees crores

Particulars	2019	2018
(a) Salaries and wages, including bonus.....	2,439.46	2,319.45
(b) Contribution to provident and other funds	215.90	207.72
(c) Share based payment to employees.....	89.20	81.93
(d) Staff welfare expenses.....	235.66	231.79
Total Employee Benefits Expense	2,980.22	2,840.89

27. Finance Costs
Rupees crores

Particulars	2019	2018
(a) Interest expense for financial liabilities measured at amortised cost.....	127.46	130.10
Less: Amounts included in the cost of qualifying assets.....	95.98	93.46
	31.48	36.64
(b) Other borrowing costs	81.91	75.56
Total Finance Costs	113.39	112.20

Other borrowing costs includes discounting charges and unwinding of discount.

The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is **4.10% p.a.** (2018 : 3.90% p.a.)

28. Other Expenses
Rupees crores

Particulars	2019	2018
Advertisements.....	596.63	662.13
Freight outward.....	980.54	1,181.05
Stores consumed	150.94	131.91
Tools consumed.....	47.17	48.08
Power and Fuel.....	264.19	247.13
Repairs and Maintenance	387.29	389.15
Sales promotion expenses.....	600.88	334.60
Legal and Professional charges (refer note (a)).....	516.42	451.58
Hire and Service charges.....	741.88	594.69
Miscellaneous expenses (refer note (b), (c) &(d)).....	1,581.29	1,574.13
Total Other Expenses	5,867.23	5,614.45

(a) Auditors remuneration (Net of taxes where applicable) included in Legal and Professional charges are as below:

Rupees crores

Particulars	2019	2018
Statutory Auditors:		
Audit Fees.....	3.20	3.20
Taxation Matters.....	—	0.07
Other Services.....	1.70	1.08
Reimbursement of expenses	0.14	0.10
Total	5.04	4.45
Cost Auditors:		
Audit Fees.....	0.08	0.08
Reimbursement of expenses	—	*
Total	0.08	0.08

* denotes amount less than Rs. 50,000.

(b) Expenditure incurred on Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 **Rs. 93.50 crores** (2018 : Rs. 81.97 crores).

(c) Donations given to New Democratic Electoral Trust **Rs. 1.02 crores** (2018 : Nil).

(d) The foreign exchange loss recognised in profit or loss is **Rs. 4.62 crores** (2018 : loss of Rs. 14.86 crores).

29. Exceptional Items (net) recognised in profit or loss

Particulars	Rupees crores	
	2019	2018
Profit on transfer of certain long term investments	598.29	406.61
Impairment loss on current investments	(160.00)	—
Impairment loss on certain long term investments.....	(468.02)	—
Reversal of impairment loss on an investment.....	—	27.00
Total	(29.73)	433.61

30. Earning Per Share (EPS)

Particulars	Rupees crores	
	2019	2018
Profit for the year (Rupees crores).....	4,796.04	4,356.01
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	1,19,04,76,415	1,18,89,16,634
Effect of potential Dilutive Ordinary (Equity) Shares.....	47,60,035	53,70,700
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.....	1,19,52,36,450	1,19,42,87,334
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	40.29	36.64
Diluted Earnings per share (Rs.)	40.13	36.47

31. Employee Benefits

General description of defined benefit plans:

Gratuity

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

Post retirement medical

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

Post retirement housing allowance

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

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

Asset Volatility

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

Changes in bond yields

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

Inflation risk

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

Life expectancy

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

31. Employee Benefits (contd)

A. Details of defined benefit plans as per actuarial valuation are as below:

Rupees crores

Particulars	Funded Plan		Unfunded Plans			
	Gratuity		Post retirement medical		Post retirement housing allowance	
	2019	2018	2019	2018	2019	2018
I Amounts recognised in profit or loss						
Current service cost	59.82	55.91	2.86	2.03	2.67	2.50
Past service cost	—	—	—	4.49	—	—
Net interest expense.....	13.52	16.41	3.29	2.35	4.29	3.83
Total amount included in employee benefits expense	73.34	72.32	6.15	8.87	6.96	6.33
II Amounts recognised in other comprehensive income						
Remeasurement (gains)/losses:						
a) Actuarial (gains)/losses arising from changes in -						
– financial assumptions.....	20.72	(13.97)	1.94	(1.33)	1.80	(1.23)
– demographic assumptions.....	0.12	—	0.11	—	(0.67)	—
– experience adjustments.....	(7.07)	2.84	(3.67)	4.94	3.41	1.01
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(3.09)	(4.69)	—	—	—	—
Total amount recognised in other comprehensive income	10.68	(15.82)	(1.62)	3.61	4.54	(0.22)
III Changes in the defined benefit obligation						
Opening defined benefit obligation.....	747.62	727.23	42.66	31.35	55.56	51.32
Add/(less) on account of transfer of employees	0.09	(0.49)	—	—	—	—
Current service cost	59.82	55.91	2.86	2.03	2.67	2.50
Past service cost	—	—	—	4.49	—	—
Interest expense.....	53.81	49.88	3.29	2.35	4.29	3.83
Remeasurements (gains)/ losses arising from changes in -						
– financial assumptions	20.72	(13.97)	1.94	(1.33)	1.80	(1.23)
– demographic assumptions	0.12	—	0.11	—	(0.67)	—
– experience adjustments.....	(7.07)	2.84	(3.67)	4.94	3.41	1.01
Benefits paid	(69.31)	(73.78)	(1.37)	(1.17)	(1.87)	(1.87)
Closing defined benefit obligation.....	805.80	747.62	45.82	42.66	65.19	55.56
IV Changes in fair value of plan assets during the year						
Opening fair value of plan assets	555.36	490.14	—	—	—	—
Interest income	40.29	33.47	—	—	—	—
Return on plan assets excluding interest income	3.09	4.69	—	—	—	—
Contribution by employer.....	130.02	100.84	1.37	1.17	1.87	1.87
Benefits paid	(69.31)	(73.78)	(1.37)	(1.17)	(1.87)	(1.87)
Closing fair value of plan assets.....	659.45	555.36	—	—	—	—
V Net defined benefit obligation						
Defined benefit obligation	805.80	747.62	45.82	42.66	65.19	55.56
Fair value of plan assets.....	659.45	555.36	—	—	—	—
Surplus/(Deficit).....	(146.35)	(192.26)	(45.82)	(42.66)	(65.19)	(55.56)
Current portion of the above.....	(134.00)	(124.16)	(1.60)	(1.47)	(3.18)	(1.87)
Non current portion of the above	(12.35)	(68.10)	(44.22)	(41.19)	(62.01)	(53.69)

31. Employee Benefits (contd)

Particulars	2019	2018
Actuarial Assumptions and Sensitivity		
I Actuarial assumptions		
Discount rate.....	7.50%	7.85%
Attrition rate.....	7.00%	7.00%
Costs inflation	7 - 10%	7 - 10%
II Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
One percentage point increase in discount rate	(66.73)	(60.59)
One percentage point decrease in discount rate	77.30	69.92
One percentage point increase in Salary growth rate.....	63.84	58.17
One percentage point decrease in Salary growth rate.....	(56.59)	(51.82)
One percentage point increase in attrition rate	(9.05)	(6.40)
One percentage point decrease attrition rate.....	10.15	9.49
One percentage point increase in medical inflation rate.....	6.31	5.72
One percentage point decrease in medical inflation rate.....	(5.30)	(4.82)
III Maturity profile of defined benefit obligation		
Within 1 year	138.78	127.50
Between 2 and 5 years.....	332.22	316.47
Between 6 and 9 years.....	340.48	310.79
10 years and above.....	1,186.09	1,138.36

The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

B. Trust-managed Provident fund:

Particulars	2019	2018
I Net defined benefit obligation		
Defined benefit obligation	2,397.48	2,220.30
Fair value of plan assets.....	2,397.48	2,220.30
Surplus/(Deficit).....	—	—
II Actuarial assumptions		
Discount rate.....	7.50%	7.85%
Average remaining tenure of investment portfolio (years).....	5.70	5.95
Guaranteed rate of return.....	8.65%	8.55%

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

The Company's contribution to Provident Fund and Superannuation fund aggregating **Rs. 141.83 crores** (2018 : Rs 134.66 crores) has been recognised in Profit or Loss under the head Employee Benefits Expense.

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

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

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

- i) 5 equal instalments on the expiry of 12 months, 24 months, 36 months, 48 months and 60 months from the date of grant or
- ii) 4 instalments bifurcated as 20% on the expiry of 18 months, 20% on the expiry of 30 months, 30% on the expiry of 42 months and 30% on the expiry of 54 months or
- iii) 3 instalments bifurcated as 33.33% on the expiry of 12 months, 33.33% on the expiry of 24 months and 33.34% on the expiry of 36 months.

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

Summary of stock options

	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2018.....	59,62,690	5.63
Options granted during the year	23,26,088	5.00
Options forfeited/lapsed during the year.....	2,82,839	30.64
Options exercised during the year	16,54,106	6.04
Options outstanding on 31 st March, 2019	63,51,833	4.18
Options vested but not exercised on 31 st March, 2019	16,64,616	5.46

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

Date of exercise	Weighted average share price (Rs.)
20 th April, 2018 to 26 th March, 2019	761.78

Information in respect of options outstanding as at 31st March, 2019

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50	40,40,720	5.39 years
Rs. 5.00	22,96,113	6.88 years
Rs. 331.00	15,000	2.15 years

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

Grant Date	No. of Years vesting	Fair value per option
13 th November, 2018.....	5 years	Rs. 737.44
13 th November, 2018.....	3 years	Rs. 744.28

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	
	13 th November, 2018 (5 years vesting)	13 th November, 2018 (3 years vesting)
Risk free interest rate.....	7.65%	7.57%
Expected life.....	5.51 years	4.51 years
Expected volatility.....	51.44%	54.78%
Expected dividend yield	0.96%	0.96%
Exercise Price (Rs.)	5.00	5.00
Stock Price (Rs.)	780.90	780.90

In respect of Options granted under the Employee Stock Option Plan the accounting is done as per requirements of Ind AS 102. Consequently, salaries, wages, bonus etc. includes **Rs. 89.20 crores** (2018 : Rs. 81.93 crores) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited. The amount excludes **Rs. 5.31 crores** (2018 : Rs. 4.65 crores) charged to subsidiaries, associates or joint ventures for options issued to their employees.

33. Capital management

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

The Company determines the amount of capital required on the basis of its product, capital expenditure, operations and strategic investment plans. The same is funded through a combination of capital sources be it either equity and/or preference and/or convertible and/or combination of short term/long term debt as may be appropriate.

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

Net Debt and Equity is given in the table below:

Particulars	Rupees crores	
	2019	2018
Total Shareholders' Equity as reported in Balance Sheet	34,209.23	30,294.04
Net Debt		
Short term debt.....	448.54	668.47
Long term debt (including current portion of long term debt).....	2,122.80	2,289.61
Gross Debt.....	2,571.34	2,958.08
Less :		
Current investments.....	2,983.96	3,937.49
Cash and Bank Balances.....	3,731.66	2,893.73
Net Debt.....	(4,144.28)	(3,873.14)
Total Capital deployed	30,064.95	26,420.90

34. Financial Instruments

Financial Risk Management Framework

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

The financial risks are managed in accordance with the Company's risk management policy which has been approved by its Board of Directors.

1. Market Risk Management

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

(a) Currency Risk

The Company's exposure to currency risk relates primarily to the Company's operating activities including anticipated sales, purchases and borrowings where the transactions are denominated in a currency other than the Company's functional currency.

The Company's foreign currency exposures are managed in accordance with its Foreign Exchange Risk Management Policy which has been approved by its Board of Directors. The Company hedges its foreign currency risk mainly by way of Forward Covers. Other derivative instruments may be used if deemed appropriate.

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

	Rupees crores				
	US Dollar	Euro	Australian Dollar	Others	Total
As at 31st March, 2019					
Financial assets.....	753.36	44.84	30.27	56.84	885.31
Financial liabilities.....	250.51	446.72	3.10	119.83	820.16
As at 31st March, 2018					
Financial assets.....	984.26	28.54	39.40	35.66	1,087.86
Financial liabilities.....	368.26	452.23	3.17	7.71	831.37

34. Financial instruments (contd.)
Hedge Accounting – Forwards

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

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

Outstanding Contracts	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)
31st March, 2019		
Cash Flow Hedges		
<i>Buy currency</i>		
— EUR.....	388.30	(47.83)
<i>Sell currency</i>		
— USD.....	331.86	11.06
— ZAR.....	233.63	23.75
Total.....		(13.02)
31st March, 2018		
Cash Flow Hedges		
<i>Buy currency</i>		
— EUR.....	404.08	3.87
<i>Sell currency</i>		
— USD.....	412.74	2.01
— AUD.....	39.60	1.15
— ZAR.....	215.57	(12.21)
Total.....		(5.18)

There are no significant transactions of hedges which are ineffective.

The Company also has outstanding forward exchange contracts that are not accounted as hedges.

Notional value of the same is as given below:

Rupees crores

Particulars	2019	2018
<i>Buy currency</i>		
— USD.....	26.57	242.61
— EUR.....	69.91	—
— Others.....	193.79	—
<i>Sell currency</i>		
— USD.....	—	399.18

(b) Interest Rate Risk

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

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

Hedge Accounting : Interest Rate Swaps

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

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

Outstanding Contracts	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)
31st March, 2019		
Cash Flow Hedges		
<i>Floating to fixed Interest Rate Swaps.....</i>	388.30	(0.43)
Total.....		(0.43)
31st March, 2018		
Cash Flow Hedges		
<i>Floating to fixed Interest Rate Swaps.....</i>	404.08	3.58
Total.....		3.58

There are no significant transactions of hedges which are ineffective.

34. Financial instruments (contd.)

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

Rupees crores

Particulars	2019			2018		
	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total
Balance as at the beginning of the year (net).....	(6.82)	2.32	(4.50)	6.49	2.30	8.79
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction.....	29.28	—	29.28	(35.75)	—	(35.75)
Change in Fair Value of Effective Portion of cash flow hedges.....	6.57	(4.01)	2.56	15.35	0.04	15.39
Total	35.85	(4.01)	31.84	(20.40)	0.04	(20.36)
Deferred tax effect on above.....	(12.53)	1.40	(11.13)	7.09	(0.02)	7.07
Balance as at the end of the year (net) ...	16.50	(0.29)	16.21	(6.82)	2.32	(4.50)
Of the above:						
Balance relating to continuing hedges...	16.50	(0.29)	16.21	(6.82)	2.32	(4.50)
Total	16.50	(0.29)	16.21	(6.82)	2.32	(4.50)

2. Credit Risk Management

Credit Risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The Company's exposure are continuously monitored.

(a) Financial Guarantees

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks. The Company's maximum exposure in this respect is the maximum amount the Company could have to pay if the guarantee is called on. Financial guarantees are accounted as explained in note 2 (k). The amount recognised in Balance Sheet as liabilities is as given below:

Rupees crores

Particulars	2019	2018
Financial Guarantee Liabilities.....	34.42	40.85

(b) Trade Receivables

The Company applies the simplified approach to providing for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Company has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Company. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses. The Company has taken dealer deposits, bank guarantees etc. which are considered as collateral and these are considered in determination of expected credit losses, where applicable.

Amounts pertaining to these collaterals are as given below :-

Rupees crores

Particulars	2019	2018
Dealer Deposits.....	6.20	8.62
Bank Guarantees.....	756.14	899.58
Others (including Letter of Credit).....	99.02	93.79

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

Rupees crores

Particulars	Not due	0-6 months past due	> 6 months	Total
As at 31st March, 2019				
Gross carrying amount.....	429.30	3,168.30	418.24	4,015.84
Loss allowance provision.....	—	(6.05)	(63.49)	(69.54)
Net.....	429.30	3,162.25	354.75	3,946.30
As at 31st March, 2018				
Gross carrying amount.....	620.22	2,488.31	113.70	3,222.23
Loss allowance provision.....	—	(2.16)	(47.09)	(49.25)
Net.....	620.22	2,486.15	66.61	3,172.98

34. Financial instruments (contd.)
Reconciliation of loss allowance for Trade Receivables

Particulars	Rupees crores	
	2019	2018
Balance as at beginning of the year	(49.25)	(47.46)
Additions during the year.....	(27.44)	(21.09)
Amounts written off during the year.....	0.42	10.85
Amount of loss reversed/written back.....	6.73	8.45
Balance as at end of the year	(69.54)	(49.25)
Of the trade receivables written off during the year, amount that is subject to enforcement activity.....	—	1.45

The Company's maximum exposure to credit risk in respect of Financial Guarantee contracts are disclosed in Note 34 - 3(a).

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

3. Liquidity Risk Management
(a) Maturity profile of financial liabilities

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

Particulars	Rupees crores			
	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 Years and above
As at 31st March, 2019				
Short term borrowings - Principal.....	448.54	—	—	—
Short term borrowings - Interest	9.75	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal	91.02	581.85	217.53	1,232.40
Long term borrowings (including Current maturities of long term debt) - Interest.....	86.62	171.73	167.42	1,964.08
Trade payables	9,678.15	—	—	—
Other Financial Liabilities.....	834.37	21.66	0.03	330.60
Financial Guarantees	1,064.88	—	—	—
Total	12,213.33	775.24	384.98	3,527.08
As at 31st March, 2018				
Short term borrowings - Principal.....	668.47	—	—	—
Short term borrowings - Interest	4.68	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal	93.71	243.73	609.47	1,342.70
Long term borrowings (including Current maturities of long term debt) - Interest.....	86.74	173.48	168.93	2,047.79
Trade payables	8,603.40	—	—	—
Other Financial Liabilities.....	774.07	40.61	1.30	297.82
Financial Guarantees	1,306.70	—	—	—
Total	11,537.77	457.82	779.70	3,688.31

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

34. Financial instruments (contd.)

(b) Maturity profile of derivative financial liabilities

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

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31 st March, 2019.....	5.14	47.88	—
As at 31 st March, 2018.....	16.03	—	—

4. Sensitivity Analysis

(a) Foreign Currency Sensitivity

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

Rupees crores

Particulars	Currency	Change in rate	Effect on profit before tax	Effect on pre-tax equity
Year ended 31 st March, 2019	USD	+10%	39.72	(20.81)
	EUR	+10%	5.64	—
Year ended 31 st March, 2018	USD	+10%	48.97	(22.14)
	EUR	+10%	(1.96)	—

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 Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Rupees crores

Particulars	Currency	Increase/ decrease in basis points	Effect on profit before tax	Effect on pre-tax equity
Year ended 31 st March, 2019	EUR	+25	—	2.29
Year ended 31 st March, 2018	EUR	+25	—	3.56

5. Offsetting of balances: The Company has not offset financial assets and financial liabilities.

6. Collaterals

The Company has availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, some of which are secured by hypothecation of book debts, receivables, outstanding monies and all other current assets.

34. Financial instruments (contd.)

7. Fair Value Disclosures

(a) Financial Instruments regularly measured using Fair Value - recurring items

Rupees crores

Particulars	Fair Value		Fair value hierarchy	Valuation technique(s)	Applicable for level 2 and level 3 hierarchy Key inputs	For Level 3 hierarchy valuation Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
	Category	2019					
1) Foreign currency forwards, Options, Interest rate swaps & commodity derivatives	Financial Assets	39.85	13.26	Level 2	Discounted Cash Flow	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.	—
2) Foreign currency forwards, Options, Interest rate swaps & commodity derivatives	Financial Liabilities	53.02	16.03	Level 2	Discounted Cash Flow and Interest Rate	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.	—
3) Derivatives on Interest in Subsidiaries, Associates and Joint Ventures	Financial Assets	293.43	185.01	Level 3	Comparable Companies Method/ Discounted Cash Flow/Price of Recent Transaction/ Comparable Companies Quoted multiples	For Comparable Companies Method/ Comparable Companies Quoted multiples - compares the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.	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) Derivatives on Interest in Subsidiaries, Associates and Joint Ventures	Financial Liabilities	21.23	24.14	Level 3	Comparable Companies Method/ Discounted Cash Flow/Price of Recent Transaction/ Comparable Companies Quoted multiples	For Comparable Companies Method/ Comparable Companies Quoted multiples - compares the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.	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.
5) Investment in Market Linked Debentures	Financial Assets	104.32	105.67	Level 1	Quoted market price	Not applicable as Level 1 hierarchy	—
6) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	2,038.04	2,551.76	Level 1	Net Asset value	Not applicable as Level 1 hierarchy	—
7) Investment in equity instruments - Quoted	Financial Assets	1.34	2.07	Level 1	Quoted bid price in active market	Not applicable as Level 1 hierarchy	—
8) Equity investments- Unquoted	Financial Assets	0.31	0.31	Level 3	Market Multiple Approach	In this approach the fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue multiple etc.	Increase in multiple will result in increase in valuation
9) Investments in Debentures/Bonds	Financial Assets	56.22	147.13	Level 1	Quoted market price	Not applicable as Level 1 hierarchy	—
10) Commercial Papers and Certificate of Deposits	Financial Assets	589.27	735.23	Level 1	Market price	Not applicable as Level 1 hierarchy	—

34. Financial instruments (contd.)

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, 2019			
Opening balance of fair value	0.31	160.87	161.18
Total incomes/gains or losses recognised :			
— in profit or loss.....	—	111.33	111.33
Closing balance of fair value.....	0.31	272.20	272.51
Year Ended 31st March, 2018			
Opening balance of fair value	4.54	158.58	163.12
Total incomes/gains or losses recognised :			
— in profit or loss.....	—	3.12	3.12
— in other comprehensive income.....	(4.23)	—	(4.23)
Fair value of purchases made during the year	—	(0.83)	(0.83)
Closing balance of fair value.....	0.31	160.87	161.18

(b) Financial Instruments not measured using Fair Value i.e. measured using amortized cost

Rupees crores

Particulars	Carrying Value	Fair value (Level 2)
As at 31st March, 2019		
Non Current Investments		
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares : Mahindra Vehicle Manufacturers Limited	600.00	570.71
Non Current Borrowings		
— Debentures.....	973.84	938.95
— Other loans	670.66	501.17
As at 31st March, 2018		
Non Current Investments		
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares : Mahindra Vehicle Manufacturers Limited	600.00	581.60
Non Current Borrowings		
— Debentures.....	973.72	937.90
— Other loans	819.52	603.57

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.

35. Related Party Disclosures :

(a) Related parties where control exists :

Subsidiaries :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1	2 x 2 Logistics Private Limited	44	Kiinteistö Oy Himos Gardens
2	Anthurium Developers Limited	45	Kiinteistö Oy Katinnurkka
3	Arabian Dreams Hotel Apartments LLC	46	Kiinteistö Oy Kuusamon Pulkajärvi 1
4	Are Villa 3 AB	47	Kiinteistö Oy Kylpyläntorni 1
5	Are Villas 1 AB	48	Kiinteistö Oy Mällönsniemi
6	Are Villas 2 AB	49	Kiinteistö Oy Rauhan Liikekiinteistöt 1
7	Astra Solren Private Limited	50	Kiinteistö Oy Rauhan Ranta 1
8	Auto Digitech Private Limited	51	Kiinteistö Oy Rauhan Ranta 2
9	Automobili Pininfarina Americas Inc. (w.e.f. 15 th January, 2019) (Formerly known as Harkey Acquisition, L.L.C.)	52	Kiinteistö Oy Spa Lofts 2
10	Automobili Pininfarina GmbH (w.e.f. 7 th May, 2018) (Formerly known as Blitz 18-371 GmbH)	53	Kiinteistö Oy Spa Lofts 3
11	Bristlecone (Malaysia) Sdn. Bhd.	54	Kiinteistö Oy Tenetinlahti
12	Bristlecone (Singapore) Pte. Limited	55	Kiinteistö Oy Tiurunniemi
13	Bristlecone Consulting Limited	56	Kiinteistö Oy Vanha Ykköstii
14	Bristlecone GmbH	57	Knowledge Township Limited
15	Bristlecone Inc.	58	Kota Farm Services Limited
16	Bristlecone India Limited	59	Lords Freight (India) Private Limited
17	Bristlecone International AG	60	M&M Benefit Trust
18	Bristlecone Limited	61	MachinePulse Tech Private Limited
19	Bristlecone Middle East DMCC	62	Mahindra & Mahindra Contech Limited
20	Bristlecone UK Limited	63	Mahindra & Mahindra ESOP Trust
21	Cleansolar Renewable Energy Private Limited	64	Mahindra & Mahindra Financial Services Limited ESOP Trust
22	Covington S.a.r.l.	65	Mahindra & Mahindra Financial Services Limited
23	Daiya Computer Services Co., Ltd.	66	Mahindra Agri Solutions Limited
24	Deep Mangal Developers Private Limited	67	Mahindra Airways Limited
25	Divine Solren Private Limited	68	Mahindra and Mahindra South Africa (Proprietary) Limited
26	Erkunt Sanayi A.S.	69	Mahindra Armored Vehicles Jordan, LLC. (w.e.f. 31 st March, 2019)
27	Erkunt Traktor Sanayii A.S.	70	Mahindra Asset Management Company Private Limited
28	Gables Promoters Private Limited	71	Mahindra Auto Steel Private Limited
29	Gromax Agri Equipment Limited	72	Mahindra Automobile Distributor Private Limited
30	HCR Management Oy	73	Mahindra Automotive Australia Pty. Limited
31	Heritage Bird (M) Sdn. Bhd.	74	Mahindra Automotive Mauritius Limited (w.e.f. 6 th November, 2018)
32	Hisarlar İthalat İhracat Pazarlama Anonim Şirketi	75	Mahindra Automotive North America Inc.
33	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi	76	Mahindra Bloomdale Developers Limited (w.e.f. 28 th May, 2018) (Formerly known as Mahindra Bebanco Developers Limited)
34	Holiday Club Canarias Investments S.L.U.	77	Mahindra Construction Company Limited
35	Holiday Club Canarias Resort Management S.L.U.	78	Mahindra Consulting Engineers Limited
36	Holiday Club Canarias Sales & Marketing S.L.U.	79	Mahindra Consulting Engineers Limited ESOP Trust
37	Holiday Club Resorts Oy	80	Mahindra Defence Naval Systems Limited
38	Holiday Club Resorts Rus LLC	81	Mahindra Defence Systems Limited
39	Holiday Club Sport and Spahotels AB	82	Mahindra do Brasil Industrial Ltda.
40	Holiday Club Sweden Ab	83	Mahindra 'Electoral Trust' Company
41	Industrial Township (Maharashtra) Limited	84	Mahindra Electric Mobility Limited
42	Infinity Hospitality Group Company Limited	85	Mahindra Electrical Steel Private Limited
43	Kiinteistö Oy Himoksen Tähti 2 (Upto 15 th May, 2018)	86	Mahindra eMarket Limited

35. Related Party Disclosures (contd.) :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
87	Mahindra Emirates Vehicle Armouring FZ-LLC	133	Mahindra Vehicle Manufacturers Limited
88	Mahindra Engineering and Chemical Products Limited	134	Mahindra Vehicle Sales and Service Inc.
89	Mahindra EPC Irrigation Limited (Formerly known as EPC Industrie Limited)	135	Mahindra Water Utilities Limited
90	Mahindra Europe s.r.l.	136	Mahindra West Africa Limited
91	Mahindra First Choice Services Limited	137	Mahindra World City (Maharashtra) Limited
92	Mahindra First Choice Wheels Limited ESOP Trust	138	Mahindra Waste To Energy Solutions Limited
93	Mahindra First Choice Wheels Limited	139	Marvel Solren Private Limited
94	Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.	140	Mega Suryaurja Private Limited
95	Mahindra Graphic Research Design s.r.l.	141	MH Boutique Hospitality Limited
96	Mahindra Greenyard Private Limited	142	MHR Holdings (Mauritius) Limited
97	Mahindra Heavy Engines Limited	143	Mitsubishi Mahindra Agricultural Machinery Co., Ltd.
98	Mahindra Holdings Limited	144	Mitsubishi Noki Hanbai Co., Ltd.
99	Mahindra Holidays & Resorts India Limited	145	Moonshine Construction Private Limited
100	Mahindra Holidays & Resorts India Limited ESOP Trust	146	MSPE URJA S.R.L. (w.e.f. 29 th March, 2019)
101	Mahindra Hotels and Residences India Limited	147	Mumbai Mantra Media Limited
102	Mahindra HZPC Private Limited	148	NBS International Limited
103	Mahindra Infrastructure Developers Limited	149	MRHFL Employee Welfare trust (ESOP)
104	Mahindra Insurance Brokers Limited	150	Neo Solren Private Limited
105	Mahindra Integrated Business Solutions Private Limited	151	New Democratic Electoral Trust
106	Mahindra Integrated Township Limited	152	OFD Holding B.V.
107	Mahindra Intertrade Limited	153	Officemartindia.com Limited
108	Mahindra Lifespace Developers Limited	154	Origin Direct Asia (Shanghai) Trading Company Limited
109	Mahindra Logistics Limited	155	Origin Direct Asia Ltd.
110	Mahindra Marine Private Limited	156	Origin Fruit Direct B.V.
111	Mahindra Mexico S. de. R. L.	157	Origin Fruit Services South America SpA
112	Mahindra MiddleEast Electrical Steel Service Centre (FZC)	158	Orizonte Business Solutions Limited
113	Mahindra MSTC Recycling Private Limited	159	Ownership Services Sweden Ab
114	Mahindra Namaste Limited	160	Holiday Club Canarias Vacation Club SLU (w.e.f. 18 th December, 2018) (Formerly known as Passeport Sante SL)
115	Mahindra North American Technical Center, Inc.	161	Peugeot Motocycles Deutschland GmbH
116	Mahindra Overseas Investment Company (Mauritius) Limited	162	Peugeot Motocycles Italia S.p.A.
117	Mahindra Racing UK Limited	163	Peugeot Motocycles S.A.S.
118	Mahindra Renewables Private Limited	164	PMTC Engineering SpA (Formerly known as Mahindra Racing S.p.A.)
119	Mahindra Residential Developers Limited	165	PT Mahindra Accelo Steel Indonesia (w.e.f. 19 th December, 2018)
120	Mahindra Retail Limited (Formerly known as Mahindra Retail Private Limited)	166	Rathna Bhoomi Enterprises Private Limited
121	Mahindra Rural Housing Finance Limited	167	Retail Initiative Holdings Limited
122	Mahindra Steel Service Centre Limited	168	Ryono Asset Management Co., Ltd.
123	Mahindra Summit Agriscience Limited (w.e.f. 9 th October, 2018)	169	Ryono Engineering Co., Ltd.
124	Mahindra Susten Bangladesh Private Limited (w.e.f. 19 th April, 2018)	170	Ryono Factory Co., Ltd.
125	Mahindra Susten Private Limited	171	SsangYong Australia Pty Limited (w.e.f. 31 st July, 2018)
126	Mahindra Telecom Energy Management Services Limited	172	Ssangyong European Parts Center B.V.
127	Mahindra Tractor Assembly Inc.	173	Ssangyong Motor (Shanghai) Company Limited
128	Mahindra Trucks and Buses Limited	174	Ssangyong Motor Company
129	Mahindra Trustee Company Private Limited	175	Sunrise Initiatives Trust
130	Mahindra Two Wheelers Europe Holdings S.a.r.l.	176	Suomen Vapaa-aikakiinteistöt Oy LKV
131	Mahindra Two Wheelers Limited	177	Supermarket Capri Oy
132	Mahindra USA Inc.	178	Trringo.com Limited

35. Related Party Disclosures (contd.) :

(a) Other parties with whom transactions have taken place during the year :

(i) Associates :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Swaraj Engines Limited	3.	Tech Mahindra Limited
2.	Sampo Rosenlew Oy (Upto 16 th December, 2018)		
	<i>Subsidiaries of Associate</i>		
1.	Mahindra CIE Automotive Limited	5.	Tech Mahindra Foundation
2.	PF Holdings B.V.	6.	Tech Mahindra (Shanghai) Co. Limited
3.	Pininfarina S.p.A.		
4.	Satyam Venture Engineering Services Private Limited		

(ii) Joint Ventures :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Classic Legends Private Limited	6.	Mahindra Ideal Lanka (Private) Limited (w.e.f. 31 st May, 2018)
2.	Mahindra Aerospace Private Limited	7.	Sampo Rosenlew Oy (w.e.f. 17 th December, 2018)
3.	Mahindra Sanyo Special Steel Private Limited	8.	M.I.T.R.A. Agro Equipments Private Limited
4.	Mahindra World City (Jaipur) Limited		
5.	Mahindra World City Developers Limited		
	<i>Subsidiaries of Joint Venture</i>		
1.	Gippsaero Pty. Limited		
2.	Mahindra Aerostructures Private Limited		
	<i>Joint Venture of Subsidiary</i>		
1.	Mahindra Tsubaki Conveyor Systems Private Limited		

(iii) Key Management Personnel (KMP) :

Sr. No.	Name of the entity	Role
1.	Mr. Anand G. Mahindra	Executive Chairman
2.	Dr. Pawan Goenka	Managing Director
3.	Mr. Nadir B. Godrej	Independent Director
4.	Mr. R. K. Kulkarni	Independent Director
5.	Mr. M. M. Murugappan	Independent Director
6.	Dr. Vishakha N. Desai	Independent Director
7.	Mr. Vikram Singh Mehta	Independent Director
8.	Mr. Anupam Puri	Independent Director
9.	Mr. T. N. Manoharan	Independent Director
10.	Mr. Vijay Kumar Sharma (appointed as a Nominee Director representing LIC w.e.f. 14 th November, 2018)	Nominee Director
11.	Mr. S. B. Mainak (ceased to be a Nominee Director representing LIC w.e.f. 11 th May, 2018)	Nominee Director

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

Sr. No.	Name of the entity	Sr. No.	Name of the entity
	<i>Close member of KMP</i>		
1.	Mrs. Anuradha Mahindra	4.	Mr. Suresh Ram Kishore Goenka
2.	Mrs. Radhika Nath	5.	Mrs. Shakuntala Kulkarni
3.	Mrs. Mamta Goenka	6.	Dr. T. N. Gajendran
	<i>Entities controlled / jointly controlled by KMP</i>		
1.	The Indian & Eastern Engineer Company Private Limited		

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

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

(vi) Welfare Funds :

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

35. Related Party Disclosures (contd.) :

(c) The related party transactions are as under :

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Subsidiaries	Associates	Joint Ventures	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
1.	Purchases :								
	Goods.....	2019	15,744.83	2,416.83	16.43	—	—	—	—
		2018	12,515.78	2,095.72	13.20	—	—	—	—
	Services.....	2019	2,347.82	211.63	3.10	—	—	—	—
		2018	1,183.12	172.73	918.23	—	0.18	—	—
	Property, Plant and Equipment.....	2019	126.73	6.09	0.15	—	—	—	—
		2018	20.78	13.59	0.04	—	—	—	—
	Other Intangible Assets.....	2019	491.02	—	—	—	—	—	—
	2018	279.14	—	—	—	—	—	—	
2.	Sales :								
	Goods.....	2019	2,924.52	29.85	3.76	—	—	—	—
		2018	2,081.03	23.19	4.90	—	—	—	—
	Property, Plant and Equipment.....	2019	23.14	—	0.08	—	—	—	—
		2018	1.96	0.23	—	—	—	—	—
	Services.....	2019	36.70	0.63	8.39	—	—	—	—
	2018	78.54	5.10	4.76	—	0.42	—	—	
3.	Investments :								
	Purchased/Subscribed/ Conversion/Bonus.....	2019	2,705.10	—	198.72	—	—	—	—
		2018	1,937.49	11.81	297.33	—	—	—	—
	Sold/Redeemed.....	2019	628.38	—	—	—	—	—	—
	2018	—	20.93	—	—	0.01	—	—	
4.	Deputation of Personnel :								
	From Parties.....	2019	6.76	—	—	—	—	—	—
		2018	1.43	0.59	0.17	—	—	—	—
	To Parties.....	2019	30.24	4.81	2.21	—	—	—	—
	2018	29.59	3.83	1.92	—	—	—	—	
5.	Managerial Remuneration.....	2019	—	—	—	18.35	—	—	—
		2018	—	—	—	16.73	—	—	—
6.	Stock Options.....	2019	—	—	—	2.51	—	—	—
		2018	—	—	—	3.51	—	—	—
7.	Commission and other benefits to Non-executive/independent directors (including nominee directors).....	2019	—	—	—	3.29	—	—	—
		2018	—	—	—	3.73	—	—	—

35. Related Party Disclosures (contd.) :

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

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Subsidiaries	Associates	Joint Ventures	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
8.	Finance :								
	Inter Corporate Deposits given	2019	875.00	—	50.00	—	—	—	—
		2018	629.55	—	50.00	—	—	—	—
	Inter Corporate Deposits refunded by parties	2019	959.50	—	50.00	—	—	—	—
		2018	442.93	—	50.00	—	—	—	—
	Inter Corporate Deposit Taken refunded to parties	2019	—	—	—	—	—	—	—
		2018	15.00	—	—	—	—	—	—
	Loan given	2019	—	—	—	—	—	—	—
		2018	—	—	—	4.50	—	—	—
	Interest Income	2019	89.29	—	0.19	0.49	—	—	—
		2018	71.81	—	3.20	0.44	—	—	—
	Interest Expenses.....	2019	—	—	—	—	—	—	—
		2018	0.04	—	—	—	—	—	—
	Dividend received	2019	510.05	378.94	—	—	—	—	—
		2018	237.82	248.37	—	—	—	—	—
	Security Deposits Paid/ Refunded	2019	—	—	—	—	—	—	—
		2018	0.15	—	0.09	—	—	—	—
	Security Deposits Received/ Refunded	2019	0.03	—	—	—	—	—	—
		2018	0.20	—	0.09	—	—	—	—
	Share Application Money Given	2019	—	—	—	—	—	—	—
		2018	146.14	—	—	—	—	—	—
9.	Dividends Distributed	2019	117.47	—	—	2.25	0.60	106.14	3.05
		2018	102.88	—	—	2.06	0.57	91.99	2.64
10.	Guarantees Given.....	2019	521.49	—	—	—	—	—	—
		2018	707.13	—	—	—	—	—	—
11.	Other Transactions :								
	Other Income	2019	129.40	11.61	3.63	—	0.42	—	—
		2018	100.66	5.22	3.22	—	—	—	—
	Other Expenses.....	2019	115.03	3.90	—	—	0.19	—	—
		2018	101.01	0.14	0.60	—	—	—	2.00
	Reimbursements received from parties.....	2019	195.44	8.33	13.33	—	—	—	1.60
		2018	73.57	6.28	16.31	—	—	—	1.50
	Reimbursements made to parties	2019	154.22	6.67	1.55	—	—	—	—
		2018	53.60	7.24	2.02	—	—	—	—
	Advances Received from Parties	2019	21.43	—	—	—	—	—	—
		2018	—	—	—	—	—	—	—
	Advances Given to Parties.....	2019	—	—	—	—	—	—	—
		2018	22.52	—	—	—	—	—	—

35. Related Party Disclosures (contd.) :

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

Rupees crores

Sl. No.	Nature of Transactions	Balance as on 31 st March	Subsidiaries	Associates	Joint Ventures	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
12.	Outstandings :								
	Trade and Other Payable	2019	1,540.42	280.25	5.51	4.46	—	—	—
		2018	1,230.81	305.42	6.22	4.12	—	—	—
	Trade and Other Receivable ...	2019	1,025.22	7.01	10.14	10.69	1.90	—	17.00
		2018	1,140.66	12.39	19.28	10.61	1.90	—	17.00
	Inter Corporate Deposits outstanding	2019	583.68	—	—	—	—	—	—
		2018	659.15	—	—	—	—	—	—
13.	Share Application Money outstanding	2019	—	—	—	—	—	—	—
		2018	146.14	—	—	—	—	—	—
14.	Guarantees given	2019	624.47	440.41	—	—	—	—	—
		2018	458.74	847.96	—	—	—	—	—

Details of related party transactions with Key Management Personnel are as under :

Sl. No.	Nature of Transaction	Name of KMP	For the Year Ended 31 st March	Rupees crores
1.	Salary including perquisites	Mr. Anand Mahindra	2019	3.69
			2018	3.43
		Dr. Pawan Goenka	2019	4.28
			2018	3.73
2.	Stock Options	Mr. Anand Mahindra	2019	—
			2018	—
		Dr. Pawan Goenka	2019	2.51
			2018	3.51
3.	Commission.....	Mr. Anand Mahindra	2019	4.46
			2018	4.12
		Dr. Pawan Goenka	2019	4.84
			2018	4.48
4.	Other Contribution to Funds	Mr. Anand Mahindra	2019	0.52
			2018	0.48
		Dr. Pawan Goenka	2019	0.56
			2018	0.49

35. Related Party Disclosures (contd.) :

(d) Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans and Guarantees (net of provision) :

Rupees crores

Sr. No.	Name	Relation	2019	2018
1.	Inter Corporate deposits and Loans			
	Bristlecone Limited	Subsidiary	—	48.88
	Mahindra Overseas Investment Company (Mauritius) Limited	Subsidiary	79.09	75.67
	Mahindra Rural Housing Finance Limited	Subsidiary	50.00	50.00
	Mahindra Agri Solutions Limited	Subsidiary	50.00	10.00
	Mahindra World School Education Trust	Welfare Fund	—	7.00
	Mahindra & Mahindra Financial Services Limited	Subsidiary	400.00	400.00
	Mahindra Retail Private Limited	Subsidiary	—	70.00
	Kotak Mahindra Investment Limited		—	200.00
	Kotak Mahindra Prime Limited		85.00	115.00
2.	Guarantees			
	Mahindra Racing UK Limited	Subsidiary	18.09	—
	Peugeot Motocycles S.A.S.	Subsidiary	606.38	458.74
	PF Holding B.V.	Subsidiary of Associate	440.41	847.96

- Note :
- Inter corporate deposits given and repaid during the year amounting to **Rs. 435.00 crores** (2018 : Rs. 344.55 crores) were given to Mahindra & Mahindra Financial Services Limited (subsidiary), NBS Interenational Limited (subsidiary), Mahindra First Choice Services Limited (subsidiary), Mahindra EPC Irrigation Limited (subsidiary), Mahindra Rural Housing Finance Limited (subsidiary), Mahindra Agri Solutions Limited (subsidiary), Mahindra World City (Jaipur) Limited (joint venture)
 - Above inter corporate deposits and loans have been given for general business purposes (including investment purposes) and guarantees have been given against their borrowing obligation which have been taken for general corporate purpose.
 - Refer note 6 for investments.

36. Segment information Operating Segments

The reportable segments of the Company are **Automotive** and **Farm Equipment**. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of products and services and profile of customers. Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:

- (a) **Automotive** :- This segment comprises of sale of automobiles, spares, mobility solutions, Construction Equipment and related services;
 (b) **Farm Equipment** :- This segment comprises of sale of tractors, implements, spares and related services;
 (c) **Others** :- This segment comprise of Powerol, Two Wheelers and Spares Business Unit.

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

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

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

Particulars	2019						2018					
	Automotive	Farm Equipment	Other	Total Segment	Eliminations	Total	Automotive	Farm Equipment	Other	Total Segment	Eliminations	Total
Revenue												
Net External Revenue	35,327.67	16,561.65	1,724.68	53,614.00		53,614.00	32,080.67	15,761.81	1,602.51	49,444.99		49,444.99
Inter Segment Revenue	25.25	313.00	0.43	338.68	(338.68)	—	27.85	331.74	0.21	359.80	(359.80)	—
Total Revenue	35,352.92	16,874.65	1,725.11	53,952.68	(338.68)	53,614.00	32,108.52	16,093.55	1,602.72	49,804.79	(359.80)	49,444.99
Result												
Segment Result	2,027.45	3,265.11	50.77	5,343.33		5,343.33	2,148.05	3,145.37	62.93	5,356.35		5,356.35
Less :												
Finance costs						113.39						112.20
Add :												
Unallocated corporate income net of unallocated expenses						1,124.80						424.61
Exceptional items unallocable to segments						(29.73)						433.61
Profit before tax						6,325.01						6,102.37
Income Taxes						1,528.97						1,746.36
Profit after tax						4,796.04						4,356.01
Out of total external revenue above :-												
Revenue from contracts with customers						53,345.10						
Revenue from other sources						268.90						
Total						53,614.00						
OTHER INFORMATION												
Segment Assets	17,557.28	7,823.91	916.67	26,297.86	—	26,297.86	15,103.74	6,306.34	892.09	22,302.17	—	22,302.17
Unallocated Corporate Assets						26,399.20						25,144.53
Total Assets	17,557.28	7,823.91	916.67	26,297.86	—	52,697.06	15,103.74	6,306.34	892.09	22,302.17	—	47,446.70
Segment Liabilities	10,518.19	3,275.60	402.24	14,196.03	—	14,196.03	8,982.09	3,370.23	401.20	12,753.52	—	12,753.52
Unallocated Corporate Liabilities						4,291.80						4,399.14
Total Liabilities	10,518.19	3,275.60	402.24	14,196.03	—	18,487.83	8,982.09	3,370.23	401.20	12,753.52	—	17,152.66
Additions to non current assets	2,563.20	447.74	42.10	3,053.04	—	3,053.04	2,145.15	369.90	41.21	2,556.26	—	2,556.26
Depreciation and amortisation expense	1,508.33	291.54	22.58	1,822.45	—	1,822.45	1,164.75	250.42	28.29	1,443.45	—	1,443.45

Note :-

Additions to non-current assets comprises of capital expenditure on property, plant and equipment, capital work-in-progress, intangible assets including those under development and capital advances.

36. Segment information (contd.)

Revenue from type of products and services

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

Geographical Information :

Particulars	2019			2018		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenue from External Customers comprising of :						
– Revenue from contracts with customers	50,237.54	3,376.46	53,614.00	46,319.69	3,125.30	49,444.99
– Revenue from other sources	49,973.98	3,371.12	53,345.10			
	263.56	5.34	268.90			
Non-Current Assets	15,062.20	—	15,062.20	13,765.06	—	13,765.06

Rupees crores

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

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

Information about major customers

During the years ended 31st March, 2019 and 31st March, 2018 revenues from transactions with a single external customer did not amount to 10% or more of the Company's revenues from external customers.

37. Contingent Liability & Commitments :

(A) Contingent Liability :

- (a) Claims against the Company not acknowledged as debts comprise of :
 - (i) Excise Duty, Sales Tax and Service Tax claims disputed by the Company relating to issues of applicability and classification aggregating **Rs. 2,006.90 crores** (2018 : Rs. 2,240.66 crores) before tax.
 - (ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 27.46 crores** (2018 : Rs. 27.38 crores) before tax.
- (b) Taxation matters :
 - (i) Demands against the Company not acknowledged as debts and not provided for, in respect of which the Company is in appeal and exclusive of the effect of similar matters in respect of assessments remaining to be completed.
 - Income-tax : **Rs. 1,128.52 crores** (2018 : Rs. 904.43 crores).
 - (ii) Items in respect of which the Company has succeeded in appeal, but the Income-tax Department is pursuing/likely to pursue in appeal/reference and exclusive of the effect of similar matters in respect of assessments remaining to be completed :
 - Income-tax matters : **Rs. 80.39 crores** (2018 : Rs. 64.17 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 (duty+penalty) and the interest of **Rs. 417.13 crores** accrued on the same upto 31st March, 2019, under Note (a)(i) above.

37. Contingent Liability & Commitments (contd.)

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 allowed 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, 2019 is **Rs. 1,587.42 crores** (2018 : Rs. 888.09 crores) and other commitment as at 31st March, 2019 is **Rs. 5.46 crores** (2018 : Rs. 7.50 crores).

(C) In February 2019, the Honorable Supreme Court of India in its judgement opined on the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Company has been legally advised that there are interpretative challenges on the application of judgement retrospectively and therefore has currently not considered any probable obligations for past periods.

38. Research and Development expenditure

(a) In recognised Research and Development units :

(i) Expensed to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate **Rs. 812.27 crores** (2018 : Rs. 822.00 crores) [excluding depreciation and amortisation of **Rs. 833.10 crores** (2018 : Rs. 564.24 crores)].

(ii) Development expenditure incurred during the year **Rs. 1,299.35 crores** (2018 : Rs. 830.39 crores).

(iii) Capitalisation of assets **Rs. 165.10 crores** (2018 : Rs. 163.97 crores).

(b) In other units :

(i) Expensed to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate **Rs. 97.50 crores** (2018 : Rs. 75.05 crores) [excluding depreciation and amortisation of **Rs. 34.53 crores** (2018 : Rs. 25.88 crores)].

(ii) Development expenditure incurred during the year **Rs. 189.56 crores** (2018 : Rs. 154.64 crores).

(iii) Capitalisation of assets **Rs. 126.52 crores** (2018 : Rs. 9.34 crores).

39. Previous year's figures have been regrouped/reclassified wherever necessary.

Signatures to Notes 1 to 39

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, 2019

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

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, 2019



**CONSOLIDATED
ACCOUNTS**

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

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **Mahindra & Mahindra Limited** (hereinafter referred to as the ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2019, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 2019, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

1. Recognition and impairment assessment of development expenditure capitalized and products currently under development

The key audit matter	How the matter was addressed in our audit
<p>The Group has Rs. 2,305 crores of intangible assets under development and Rs. 4,206 crores of development expenditure capitalised as at 31 March 2019.</p> <p>Management uses judgment to classify research and development related expenditure to be expensed or capitalized as intangible assets under development. In addition, management reviews the carrying amounts of its intangible assets to determine whether there are any indications of impairment loss as the recoverable value of these intangible assets relies on certain assumptions and estimates of future performance which impact the valuation. If triggers of impairment exist, the carrying value of intangible assets are adjusted for any impairment loss in the statement of profit and loss.</p> <p>Refer note 2(g) and (h) – significant accounting policy for intangible assets and impairment of assets.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> Assessed design, implementation and operating effectiveness of key controls in respect of recognition and classification of development expenditure, and evaluation of existence of any impairment; Confirmed key development projects had the appropriate approval of the committee appointed by the Board; Tested project related expenditures with underlying documents relating to material costs, overheads and employee hours incurred to verify the existence and appropriateness of classification as research or development expenditure; Evaluated the competence of the management personnel who perform impairment assessment and assessed the methodology used by them with reference to the guidance in the applicable accounting standards; and Challenged project managers on the stage of development of key projects, judgments used by them for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects.

2. Taxes including provision for current tax, valuation of uncertain tax positions and recognition of deferred taxes

The key audit matter	How the matter was addressed in our audit
<p>The Group has recorded Rs. 2,854 crores of tax expense for the year ended 31 March 2019.</p> <p>The Group operates in tax jurisdictions across the world, which are subject to periodic tax challenges by local tax authorities leading to protracted litigations. As such, accounting for taxes involves management judgment in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision.</p> <p>Refer note 2(p) – significant accounting policy for income tax.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> • Assessed the design, implementation and operating effectiveness of key controls in respect of the Group's process of recognition of tax expense, including uncertain tax positions and deferred taxes; • Assessed and challenged the completeness of uncertain tax positions in conjunction with our internal tax specialists by considering changes to business and tax legislation through discussions with management and review of correspondence with authorities where relevant; • Assessed and challenged the calculation for the current tax provision and the procedures performed to analyse movements, including the rationale for any release, increase or continued provision in the year; • Assessed and challenged management's judgements regarding the recoverability of temporary differences pertaining to deferred tax balances by obtaining and critically examining the forecasts and demonstrating the expected utilization of key temporary differences in order to assess their recoverability; and • Assessed and challenged management's judgments with respect to probability of outflow arising out of litigation after considering the status of recent tax assessments, audits and enquiries, recent judicial pronouncements and judgments in similar matters, developments in the tax environment and outcome of past litigations.

3. Evaluation of the consolidation process

The key audit matter	How the matter was addressed in our audit
<p>The Group's consolidation process is complex on account of its presence in various geographies and multiple businesses through different ownership structures.</p> <p>The consolidation process includes evaluation of the degree of control/ significant influence, alignment of group accounting policies, elimination of inter-company balances and resultant tax adjustments which may require a high level of judgement.</p> <p>Refer note 2(c) – significant accounting policy for basis of consolidation.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> • Assessed the design, implementation and operating effectiveness of key controls in respect of Group's process of consolidation and management's procedures for alignment of group accounting policies, consolidation adjustments, elimination of inter-company balances and the resultant tax impact; • Read the underlying documents relating to significant group entities, including agreements and minutes of Board committees to review the management's evaluation of degree of control/ significant influence; • Tested the relevant general IT and applications controls over the consolidation process to confirm the appropriateness of the inter-company elimination process; • Evaluated whether the methodology applied by management for alignment of accounting policies is appropriate by reading the accounting policies of the significant group entities and matching it with the Group's accounting policies; • Tested significant consolidation adjustments related to manual journal entries and reviewed underlying documents; and • Reviewed management's process of ensuring appropriateness of tax effect on account of consolidation related adjustments.

4. Impairment loss allowance in the financial services business

The key audit matter	How the matter was addressed in our audit
<p>Within the financial services business, the Group has recognized impairment loss allowance of Rs 2,215 crores as at 31 March 2019.</p> <p>The determination of impairment loss allowance is inherently judgmental and relies on managements' best estimate due to the following:</p> <ul style="list-style-type: none"> • Increased level of data inputs for capturing the historical data to calculate the Probability of Default ('PDs') and Loss Given Default ("LGD") and the completeness and accuracy of that data; • Use of management overlays for considering the probability weighted scenarios, the forward looking macro-economic factors and the timing of cash flows; and • Criteria selected to identify significant increase in credit risk. <p>Refer note 2(k) – significant accounting policy for impairment of financial assets.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> • Assessed the design and implementation of controls in respect of the Group's loan loss impairment allowance process such as the timely recognition of impairment loss, the completeness and accuracy of reports used in the impairment allowance process and management review processes over the calculation of impairment allowance and the related disclosures on credit risk management; • Tested the relevant general IT and applications controls over key systems used in the impairment allowance processes. Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and confirmed that the calculations are performed in accordance with the approved methodology, including checking mathematical accuracy of the workings; • Tested the periods considered for capturing underlying data as base to PD and LGD calculations, are in line with Company's recent experience of past observed periods; • Challenged completeness and validity of management overlays with assistance of independent financial risk modelling experts by critically evaluating the risks that have been addressed by management through overlays and also considering whether there are other risks not captured which require additional overlays. We also tested management's workings supporting the overlay quantum; and • Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the financial statements are appropriate and sufficient.

5. Impairment assessment of tangible assets relating to operations in Korea

The key audit matter	How the matter was addressed in our audit
<p>The Group's carrying value of tangible assets related to its operations in Korea is Rs. 7,319 crores as at 31 March 2019.</p> <p>Management reviews the carrying amounts of its tangible assets to determine whether there are any indicators of impairment. If triggers of impairment exist, the carrying value of the tangible assets are adjusted for any impairment loss in the statement of profit and loss.</p> <p>Refer note 2(f) and 2(h) – significant accounting policy for tangible assets and impairment of assets.</p>	<p>We performed the following key audit procedures:</p> <ul style="list-style-type: none"> • Assessed the design, implementation and operating effectiveness of key controls in respect of Group's evaluation of existence of any impairment of tangible assets; • Challenged management's assumptions used for reasonableness of impairment allowance by evaluating the business plans, methodology used for management's valuation model and discount rates; and • Evaluated the competence of the management personnel who performed the impairment assessment and tested the mathematical accuracy of the working for any impairment allowance.

■ Information other than the Consolidated Financial Statements and Auditors' Report Thereon ("Other Information")

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

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

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

■ Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

■ Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group as well as associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint ventures to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of financial information of such entities. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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

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

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

■ Other Matters

We did not audit the financial statements of 135 subsidiaries, whose financial statements reflect total assets of Rs. 43,288 crores as at 31 March 2019, total revenues of Rs. 46,362 crores and net cash flows amounting to Rs.707 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. 335 crores for the year ended 31 March 2019, in respect of 31 associates and 22 joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates is based solely on the audit reports of the other auditors.

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

■ Report on Other Legal and Regulatory Requirements

- A. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- 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.
 - 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.
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
 - On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act.
 - With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, as noted in the 'Other Matters' paragraph:
- The consolidated financial statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 40 to the consolidated financial statements.
 - 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.
 - There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended 31 March 2019.
 - The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the financial statements since they do not pertain to the financial year ended 31 March 2019.
- C. With respect to the matter to be included in the Auditor's report under section 197(16):
- In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

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

Jamil Khatri
Partner

Membership No. 102527

Mumbai, 29 May, 2019

Annexure A to the Independent Auditors' report on the consolidated financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2019

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls with reference to consolidated financial statements of Mahindra & Mahindra Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint venture companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2019, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to 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 the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to 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.

■ Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 59 subsidiary companies, 5 associate companies and 16 joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Mumbai, 29 May, 2019

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

Jamil Khatri
Partner
Membership No. 102527

Consolidated Balance Sheet | as at 31st March, 2019

Rupees crores

	Note No.	2019	2018
I. ASSETS			
NON-CURRENT ASSETS			
Property, Plant and Equipment	4	22,227.17	20,820.49
Capital Work-in-Progress		2,454.34	1,814.57
Goodwill	5	2,073.60	2,159.67
Other Intangible Assets	6	4,681.97	3,201.74
Intangible Assets Under Development		2,305.50	2,454.90
Investments accounted using Equity method	7	10,790.94	9,421.45
Financial Assets			
(i) Investments	7	1,369.94	1,246.09
(ii) Trade Receivables	8	614.52	513.84
(iii) Loans	9	40,515.00	31,414.43
(iv) Other Financial Assets	10	828.97	512.43
Deferred Tax Assets (net)	11	1,502.91	841.60
Income Tax Assets (net)		1,797.02	1,251.02
Other Non-Current Assets	12	2,823.65	2,482.66
		93,985.53	78,134.89
CURRENT ASSETS			
Inventories	13	12,200.16	9,335.57
Financial Assets			
(i) Investments	7	6,107.22	5,350.07
(ii) Trade Receivables	8	9,290.51	8,489.82
(iii) Cash and Cash Equivalents	14	6,139.00	4,466.63
(iv) Bank Balances other than Cash and cash Equivalents	14	2,595.91	2,080.97
(v) Loans	9	28,622.06	24,725.46
(vi) Other Financial Assets	10	891.44	1,255.78
Other Current Assets	12	3,559.74	3,308.11
Assets held for sale		—	63.61
		69,406.04	59,076.02
TOTAL ASSETS		1,63,391.57	1,37,210.91
II. EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	15	543.96	543.13
Other Equity		39,439.45	36,232.06
Equity attributable to owners of the Company		39,983.41	36,775.19
Non-controlling Interests		8,360.57	8,250.47
		48,343.98	45,025.66
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings	17	43,526.17	33,809.18
(ii) Trade Payables	18		
Total outstanding dues of creditors other than micro enterprises and small enterprises		7.93	4.88
(iii) Other Financial Liabilities	19	1,455.32	1,689.46
Provisions	20	4,100.64	3,785.68
Deferred Tax Liabilities (net)	11	2,171.31	1,587.42
Other Non-current Liabilities	21	5,042.89	2,159.09
		56,304.26	43,035.71
CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings	17	10,541.01	11,325.54
(ii) Trade Payables	18		
(a) Total outstanding dues of micro enterprises and small enterprises		166.98	237.75
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		20,825.19	18,049.59
(iii) Other Financial Liabilities	19	21,178.94	14,208.43
Other Current Liabilities	21	4,141.09	3,528.86
Provisions	20	1,616.45	1,395.26
Current Tax Liabilities (net)		273.67	404.11
		58,743.33	49,149.54
TOTAL EQUITY AND LIABILITIES		1,63,391.57	1,37,210.91

The accompanying notes 1 to 43 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, 2019

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

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, 2019

Consolidated Statement of Profit and Loss | for the year ended 31st March, 2019

Rupees crores

	Note No.	2019	2018
INCOME			
Revenue from operations	22	1,04,720.68	93,264.77
Other income	23	1,085.61	631.03
Total Income		1,05,806.29	93,895.80
EXPENSES			
Cost of Materials Consumed	24	56,120.20	48,439.86
Purchases of Stock-in-Trade		5,961.90	5,017.43
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress.....	25	(1,730.48)	83.33
Excise Duty		—	1,170.82
Employee Benefits Expense	26	11,563.89	10,004.62
Finance Costs	27	5,021.35	3,987.09
Depreciation and Amortisation Expense	4,6	3,990.77	3,279.90
Other Expenses.....	28	19,052.43	16,820.50
		99,980.06	88,803.55
Less : Amounts Capitalised.....		1,453.77	1,497.89
Total Expenses		98,526.29	87,305.66
Profit before exceptional items and tax		7,280.00	6,590.14
Exceptional items (net).....	29	224.32	2,628.12
Share of Profit / (Loss) of Associates and Joint Ventures (net)		1,366.52	1,107.26
Profit before tax		8,870.84	10,325.52
Tax expense	11		
Current tax.....		2,350.46	2,563.61
Deferred tax.....		503.53	(195.88)
Profit for the year		6,016.85	7,957.79
Other comprehensive income/(loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans.....		(176.14)	123.80
(b) Equity instruments through other comprehensive income.....		(8.71)	(6.92)
(c) Share of other comprehensive income / (loss) of equity accounted investees.....		(3.79)	(3.37)
(ii) Income tax relating to items that will not be reclassified to profit or loss.....		11.90	3.46
B. (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(147.13)	298.19
(b) Debt instruments through other comprehensive income		9.76	(0.98)
(c) Effective portion of gain / (loss) on designated portion of hedging instruments in cash flow hedge		26.73	(61.30)
(d) Share of other comprehensive income / (loss) of equity accounted investees.....		13.07	37.87
(ii) Income tax relating to items that will be reclassified to profit or loss.....		(35.42)	7.60
Total Other Comprehensive Income/(Loss)		(309.73)	398.35
Total Comprehensive Income for the year		5,707.12	8,356.14
Profit for the year attributable to:			
Owners of the Company		5,315.46	7,510.39
Non-controlling interests.....		701.39	447.40
		6,016.85	7,957.79
Other Comprehensive Income / (loss) for the year attributable to:			
Owners of the Company		(273.98)	319.45
Non-controlling interests.....		(35.75)	78.90
		(309.73)	398.35
Total Comprehensive Income for the year attributable to:			
Owners of the Company		5,041.48	7,829.84
Non-controlling interests.....		665.64	526.30
		5,707.12	8,356.14
Earnings per equity share :			
(Face value Rs. 5/- per share) (Rupees)	30		
Basic		48.91	69.20
Diluted		48.70	68.86

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

In terms of our report attached.

<p>For B S R & Co. LLP Chartered Accountants Firm Registration No. 101248W/W-100022</p> <p>Jamil Khatri Partner Membership No : 102527 Mumbai, 29th May, 2019</p>	<p>Nadir B. Godrej M. M. Murugappan R. K. Kulkarni Anupam Puri Vishakha N. Desai Vikram Singh Mehta T. N. Manoharan Vijay Kumar Sharma</p>	<p>Directors</p>	<p>Anand G. Mahindra Dr. Pawan Goenka V. S. Parthasarathy Narayan Shankar</p>	<p>Executive Chairman Managing Director Group Chief Financial Officer & Group CIO Company Secretary</p>
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Mumbai, 29th May, 2019

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2019

(A) Equity Share Capital

	Rupees crores	
	2019	2018
Issued, Subscribed and Paid-up :		
Balance as at the beginning of the year	543.13	270.89
Add: Allotment of shares by ESOP Trust to Employees	0.83	0.55
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.....	543.96	543.13

(B) Other Equity

	Attributable to owners of the Company										Non-controlling interests	Total
	Reserves and Surplus			Items of other comprehensive income				Total Other Equity				
	Capital Reserve on consolidation	Securities Premium	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			
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.....	—	(310.80)	—	—	—	—	—	—	—	(310.80)	—	(310.80)
Allotment of bonus shares to M&M ESOP trust and M&M Benefit Trust.....	—	39.35	—	—	(245.03)	—	—	—	—	39.35	—	39.35
Transfers from Retained Earnings On business combinations during the year.....	—	—	—	245.03	—	—	—	—	—	—	—	—
Exercise of employee stock options	—	73.80	(73.80)	—	—	—	—	—	—	—	1.39	1.39
Allotment of shares by M&M ESOP Trust to Employees.....	—	1.04	—	—	—	—	—	—	—	1.04	—	1.04
Allotment of Bonus shares by M&M ESOP Trust to Employees...	—	(0.12)	—	(0.21)	—	—	—	—	—	(0.33)	—	(0.33)
On account of employee stock options lapsed.....	—	—	(0.28)	0.28	—	—	—	—	—	—	—	—
Share-based payment to employees.....	—	—	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

Rupees crores

	Attributable to owners of the Company										Non-controlling interests	Total
	Reserves and Surplus				Items of other comprehensive income				Total Other Equity			
	Capital Reserve on consolidation	Securities Premium	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		
As at 1 st April, 2018	1,518.13	2,186.86	229.33	4,227.66	27,823.62	(0.79)	(20.79)	(86.15)	354.19	36,232.06	8,250.47	44,482.53
Profit for the year.....	—	—	—	—	5,315.46	—	—	—	—	5,315.46	701.39	6,016.85
Other Comprehensive Income / (Loss)	—	—	—	—	(122.10)	3.86	(9.94)	49.55	(195.35)	(273.98)	(35.75)	(309.73)
Total Comprehensive Income for the year	—	—	—	—	5,193.36	3.86	(9.94)	49.55	(195.35)	5,041.48	665.64	5,707.12
Dividend paid on Equity Shares (including tax thereon)	—	—	—	—	(937.46)	—	—	—	—	(937.46)	(196.06)	(1,133.52)
Transfers from Retained earnings	—	—	—	389.49	(389.49)	—	—	—	—	—	—	—
Transfers to Retained earnings....	—	—	—	(81.48)	81.48	—	—	—	—	—	—	—
Exercise of employee stock options.....	—	89.79	(89.79)	—	—	—	—	—	—	—	—	—
Allotment of bonus shares by M&M ESOP Trust to Employees...	—	(0.41)	—	(0.04)	—	—	—	—	—	(0.45)	—	(0.45)
Allotment of shares by M&M ESOP Trust to Employees.....	—	23.83	—	—	—	—	—	—	—	23.83	—	23.83
On account of employee stock options lapsed.....	—	—	(0.13)	0.13	—	—	—	—	—	—	—	—
Share-based payment to employees.....	—	—	94.51	—	—	—	—	—	—	94.51	64.72	159.23
Transactions with non-controlling interest and changes in Group's Interest.....	—	—	—	—	(89.25)	—	—	—	—	(89.25)	67.94	(21.31)
Cumulative impact of adoption of Ind AS 115	—	—	—	—	(925.27)	—	—	—	—	(925.27)	(492.14)	(1,417.41)
As at 31 st March, 2019.....	1,518.13	2,300.07	233.92	4,535.76	30,756.99	3.07	(30.73)	(36.60)	158.84	39,439.45	8,360.57	47,800.02

Consolidated Statement of Changes in Equity | for the year ended 31st March 2019 (contd.)

(C) Other Reserves

Particulars	Capital Redemption Reserve	Capital Reserve	Debenture Redemption Reserve	General Reserve	Statutory reserve	Total
As at 1 st 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
As at 1 st April, 2018.....	73.69	23.52	236.65	3,058.51	835.29	4,227.66
Transfer from Retained Earnings.....	—	—	115.04	80.08	194.37	389.49
Transfer to Retained Earnings.....	—	—	(80.62)	—	(0.86)	(81.48)
Allotment of shares by M&M ESOP Trust to Employees.....	—	—	—	(0.04)	—	(0.04)
On account of employee stock options lapsed.....	—	—	—	0.13	—	0.13
As at 31st March, 2019.....	73.69	23.52	271.07	3,138.68	1,028.80	4,535.76

A) Description of the nature and purpose of Reserves

(i) Capital Reserve

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

(ii) Capital Reserve on Consolidation

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

(iii) Securities Premium

Securities premium reserve is used to record the premium on issue of shares. The fair value of employee stock options is recognised in Securities Premium once the shares have been allotted on exercise of the options.

(iv) General reserve

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

(v) Debenture Redemption Reserve

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

(vi) 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.

(vii) Statutory reserve

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

(viii) Capital Redemption Reserve

Capital Redemption Reserve was created against redemption of preference shares.

B) Notes

- The Company has reduced the share capital by **Rs. 12.90 crores** (2018: Rs. 13.27 crores) and securities premium by **Rs. 230.71 crores** (2018: Rs. 254.54 crores) for the **2,58,02,706** shares of Rs. 5 each (2018: 2,65,47,211 shares of Rs. 5 each) held by the 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 **Nil** (2018: Rs. 0.04 crores) for the **Nil** bonus shares of Rs. 5 each (2018: 82,548 bonus shares of Rs. 5 each) issued by the Company in September, 2005 to the M&M ESOP Trust.
- The Company has also reduced the Share Capital by **Rs. 25.92 crores** (2018: Rs. 25.92 crores) and Retained Earnings by **Rs. 1,433.85 crores** (2018: Rs. 1,433.85 crores) for **5,18,35,214** shares of Rs. 5 each (2018: 5,18,35,214 shares of Rs. 5 each) held by M&M Benefit Trust.
- The Share Capital of the Company has also been reduced and the Securities Premium increased by **Rs. 38.82 crores** (2018: Rs. 39.23 crores) for **2,58,02,706** bonus shares of Rs. 5 each (2018: 2,66,29,759 bonus shares of Rs. 5 each) issued by the Company to M&M ESOP Trust and for **5,18,35,214** bonus shares of Rs. 5 each (2018: 5,18,35,214 bonus shares of Rs. 5 each) issued by the Company to M&M Benefit Trust in December, 2017.

The accompanying notes 1 to 43 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, 2019

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

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, 2019

Consolidated Cash Flow Statement | for the year ended 31st March 2019

	<i>Rupees crores</i>	
	2019	2018
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit before exceptional items and tax.....	7,280.00	6,590.14
Adjustments for :		
Depreciation and amortisation expenses.....	3,990.77	3,279.90
Loss / (Gain) on foreign exchange fluctuation (net).....	(34.22)	91.76
Dividend and interest income [excluding Rs. 9,962.80 crores (2018: Rs. 8,353.21 crores) in respect of financial services business]	(509.87)	(402.99)
Interest, commitment and finance charges [excluding Rs. 4,386.16 crores (2018: Rs. 3,409.89 crores) in respect of financial services business].....	635.19	577.20
Share-based payment expenses	143.04	112.00
Net Gain on financial instruments.....	(408.88)	(99.43)
Loss on property, plant and equipment sold / scrapped / written off (net).....	16.31	10.45
	3,832.34	3,568.89
Operating Profit before working capital changes.....	11,112.34	10,159.03
Changes in :		
Trade and other receivables.....	(340.76)	(2,065.91)
Financial Services receivable.....	(13,370.94)	(9,852.00)
Inventories	(2,276.20)	(256.32)
Trade and other payables.....	3,465.67	5,360.93
	(12,522.23)	(6,813.30)
Cash (used in) / generated from operations	(1,409.89)	3,345.73
Income taxes paid (net of refunds).....	(2,937.40)	(2,663.87)
Net cash flow from operating activities	(4,347.29)	681.86
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment to acquire property, plant & equipment and other intangible assets.....	(7,340.01)	(5,905.78)
Proceeds from sale of property, plant & equipment and other intangible assets	141.54	114.72
Payment to acquire investments.....	(1,96,473.58)	(1,55,158.64)
Proceeds from sale of investments.....	1,95,897.54	1,54,630.80
Interest received.....	314.37	253.62
Dividends received from Joint ventures and Associates.....	444.60	301.52
Dividends received from others.....	21.09	14.76
Bank Deposits placed	(2,751.76)	(2,180.56)
Bank Deposits matured	2,250.65	1,932.95
Net change in Earmarked and Margin account.....	(69.99)	(43.10)
Purchase of Investment in Joint ventures and Associates.....	(319.38)	(703.98)
Purchase consideration paid on acquisition of Subsidiaries net of cash acquired	4.97	(400.77)
Consideration received on disposal of Joint ventures and Associates.....	711.79	1,676.53
Net cash used in investing activities	(7,168.17)	(5,467.93)

Cash Flow Statement (contd.)

	2019	2018
<i>Rupees crores</i>		
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from Issue of Shares to Employees by ESOP Trust.....	1.00	4.41
Proceeds from borrowings.....	71,389.41	66,819.38
Repayments of borrowings.....	(56,573.82)	(60,213.53)
Net change in Loans repayable on demand and cash credit	221.82	(144.52)
Dividends paid (including dividend distribution tax paid thereon).....	(937.46)	(845.73)
Dividend paid to non-controlling interests (including dividend distribution tax paid thereon).....	(196.06)	(117.63)
Proceeds from issue of shares to non-controlling interest	11.98	1,333.05
Interest, Commitment and Finance charges paid	(723.24)	(520.93)
Net cash flow from financing activities	13,193.63	6,314.50
Net increase in cash and cash equivalents	1,678.17	1,528.43
Cash and cash equivalents at the beginning of the year	4,466.63	2,937.49
Unrealised gain / (loss) on foreign currency cash and cash equivalents.....	(5.80)	0.71
Cash and cash equivalents at the end of the year.....	6,139.00	4,466.63
Supplementary information:		
Non-Cash transactions		
Issue of equity shares as consideration to non-controlling interest in the Scheme of Arrangement	—	0.25

Notes to the Consolidated Cash Flow Statements for the year ended 31st March, 2019

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 43 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, 2019

Nadir B. Godrej
M. M. Murugappan
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Anupam Puri
Vishakha N. Desai
Vikram Singh Mehta
T. N. Manoharan
Vijay Kumar Sharma

} 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, 2019

Notes to the Consolidated Financial Statements | for the year ended 31st March 2019

1. General information

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

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

2. Significant Accounting Policies:

(a) Statement of compliance and basis of preparation and presentation

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

These consolidated financial statements were approved by the Company's Board of Directors and authorised for issue on 29th May, 2019.

(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.

Any excess of fair value of consideration received over carrying amount of the assets (including any goodwill) and liabilities of the subsidiary, is recognised as gain or loss in Statement of Profit and Loss. Additionally components of Other Comprehensive Income of Subsidiaries are reclassified to Statement of Profit and Loss or transferred directly to retained earnings.

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

Associates

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

Joint Arrangements

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

(d) Measurement of fair values

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

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

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

2. Significant Accounting Policies: (contd.)

(e) Critical Accounting Estimates and Judgments

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

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

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

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

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

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

(ii) *Provision for product warranties*

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

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

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

(iv) *Impairment of goodwill*

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

(f) Property, plant and equipment

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

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

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

When an asset is scrapped or otherwise disposed off, the cost and related 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:

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

(g) Goodwill and Intangible Assets

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

2. Significant Accounting Policies: (contd.)

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

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

Intangible assets under development

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

Intangible assets acquired under business combination

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

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

Other intangible assets

Technical Knowhow

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

Development Expenditure

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

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

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

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

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

2. Significant Accounting Policies: (contd.)

(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.

2. Significant Accounting Policies: (contd.)

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

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

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

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

Financial liabilities and equity instruments

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

Equity instruments

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

Financial liabilities

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

Compound instruments

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

Derecognition of financial assets

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

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

Offsetting

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

Financial guarantee contracts and loan commitments

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

2. Significant Accounting Policies: (contd.)

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

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

Derivative financial instruments and hedge accounting

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

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

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

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

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

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

(i) Revenue Recognition

The Group has adopted Ind AS 115 using the modified retrospective approach (cumulative effect at the date of application) with effect from initially applying this standard from 1 April 2018. Accordingly, the information presented for previous year ended 31 March 2018 has not been restated.

2. Significant Accounting Policies: (contd.)

Sales of goods

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

Sale of services

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

Dividend and interest income

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

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

Income from financing business

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

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

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

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

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

Fee and commission income

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

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

Long term construction contracts and property development activity

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

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

Income from Sale of land and other rights

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

Income from Project Management

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

Land Lease Premium

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

2. Significant Accounting Policies: (contd.)

Vacation ownership

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

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

Income from sale of vacation ownership weeks in villas is 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.

Revenue from Membership fees

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

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

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

Revenue from Annual subscription fees

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

Interest income on deferred payment plans

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

(m) Government Grants

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

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

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.

2. Significant Accounting Policies: (contd.)

Remeasurement gains/losses

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

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

Share based payments

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the 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 probable evidence that the Group will pay normal income tax against which the MAT paid will be adjusted. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Current and deferred tax for the year

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

2. Significant Accounting Policies: (contd.)

(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 to the lessor.

(s) Business combinations

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

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

2. Significant Accounting Policies: (contd.)

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 2019, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2019 and Companies (Indian Accounting Standards) (Second Amendment) Rules, 2019 notifying Ind AS 116 - 'Leases' and making amendments to various other Ind AS standards viz. Ind AS 12 - 'Income Taxes', Ind AS 19 - 'Employee benefits', Ind AS 23 - 'Borrowing Cost', Ind AS 28 - 'Investments in Associates and Joint Ventures', Ind AS 111 - 'Joint Arrangements', Ind AS 103 - 'Business Combinations' and Ind AS 109 - 'Financial Instruments'. 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, 2019.

Ind AS 116 - 'Leases':

This standard will supersede Ind AS 17 'Leases'. It abolishes for lessees the previous classification of leasing agreements as either operating or finance leases. Instead, Ind AS 116 introduces a single lessee accounting model, requiring lessees to recognise assets for right to use assets and lease liability representing its obligation to make lease payments. This means that leases which were previously not reported in the Balance Sheet will have to be reported in subsequent reporting periods. The depreciation expense will include amortisation of right to use asset and finance costs will include interest expense on lease liability. Ind AS 116 also provides exception from recognition of right to use asset and lease liability where lease term is less than 12 months or leases for which underlying asset is of low value. In such cases, lease payments are recognised as an expense over lease term on straight-line basis unless another systematic basis is representative of time pattern of the user's benefit. The Group is currently assessing the impact of application of Ind AS 116 on the consolidated financial statements.

3. Recent Accounting Pronouncements: (contd.)

Amendments to Ind AS 12 – 'Income Taxes':

The amendment relating to income tax consequences of dividend clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Further, the amendment to Appendix C specifies that when an entity is uncertain how tax laws apply to a particular transaction or circumstance until the relevant tax authorities or a court takes a decision in future and it is not probable that taxation authorities may accept entity's tax position the entity is required to estimate effect of such uncertain position on income tax and deferred tax. The Group is currently assessing the impact of application of these amendments made to Ind AS 12 on the consolidated financial statements.

Amendment to Ind AS 19 – 'Employee Benefits':

The amendment clarifies that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendment has been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The amendment does not have significant impact on the Company's consolidated financial statements.

Amendments to Ind AS 23 – 'Borrowing Cost':

The amendment clarifies borrowing costs related to specific borrowings that remain outstanding after the related qualifying asset is ready for intended use or sale should subsequently be considered as part of general borrowing costs of an entity. The amendment does not have significant impact on the Company's consolidated financial statements.

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

The amendment specifies that entity shall apply Ind AS 109 before applying Ind AS 28 to long term interests in associates and joint ventures that form part of net investment in associate and joint venture but to which equity method is not applied. The amendment does not have material impact on the Company's consolidated financial statements.

Amendment to Ind AS 103 – 'Business Combination and Ind AS 111 Joint Arrangements':

The amendment to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, then the entity considers such an acquisition as a business combination achieved in stages and accounts for it accordingly i.e., it re-measures previously held interests in that business.

The amendment to Ind AS 111 clarifies that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

The amendments does not have material impact on the Company's consolidated financial statements.

Amendment to Ind AS 109 – 'Financial instruments':

The amendment relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The amendments does not have any significant impact on the Company's consolidated financial statements.

4. Property, Plant and Equipment

Rupees crores

Particulars	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, 2017	3,667.26	359.82	8,035.70	47.85	28,132.97	183.30	974.39	599.81	103.45	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	32,478.13	234.62	1,059.49	684.40	103.45	372.45	19.87	48,078.65
Balance as at 1st April, 2018	3,924.76	359.95	8,779.34	62.19	32,478.13	234.62	1,059.49	684.40	103.45	372.45	19.87	48,078.65
Additions	43.33	—	252.96	7.29	3,682.32	58.97	85.66	173.29	—	37.32	—	4,341.14
Foreign exchange translation differences	(22.70)	—	(38.33)	1.18	(120.01)	(6.39)	(1.12)	(0.86)	—	(0.33)	—	(188.56)
Disposals	(10.26)	(0.09)	(18.63)	(9.11)	(518.98)	(46.70)	(65.11)	(113.74)	—	(25.85)	(2.45)	(810.92)
Balance as at 31st March, 2019	3,935.13	359.86	8,975.34	61.55	35,521.46	240.50	1,078.92	743.09	103.45	383.59	17.42	51,420.31
ACCUMULATED DEPRECIATION AND IMPAIRMENT												
Balance as at 1 st 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
Balance as at 1st April, 2018	—	32.85	4,047.41	38.63	21,645.89	93.15	721.78	363.38	31.43	275.72	7.92	27,258.16
Depreciation expense for the year	—	3.64	233.61	4.07	2,175.02	44.51	97.77	107.92	4.81	37.25	2.47	2,711.07
Foreign exchange translation differences	—	—	(14.01)	0.27	(77.76)	—	(1.09)	(0.36)	—	—	—	(92.95)
Disposals	—	—	(5.44)	(7.90)	(454.92)	(42.21)	(62.82)	(85.84)	—	(22.75)	(1.95)	(683.83)
Impairment losses recognised in profit or loss	—	—	—	0.24	0.22	—	0.15	—	—	0.08	—	0.69
Balance as at 31st March, 2019	—	36.49	4,261.57	35.31	23,288.45	95.45	755.79	385.10	36.24	290.30	8.44	29,193.14
NET CARRYING AMOUNT												
Net carrying amount as at 31 st March 2018.....	3,924.76	327.10	4,731.93	23.56	10,832.24	141.47	337.71	321.02	72.02	96.73	11.95	20,820.49
Net carrying amount as at 31st March 2019.....	3,935.13	323.37	4,713.77	26.24	12,233.01	145.05	323.13	357.99	67.21	93.29	8.98	22,227.17

4. Property, Plant and Equipment (contd.)

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

Rupees crores

Description of Assets	Buildings - Freehold	Batteries	Vehicles	Total
As at 31st March, 2019				
Cost	21.99	17.42	11.53	50.94
Accumulated depreciation and impairment.....	(7.28)	(8.44)	(0.46)	(16.18)
Net carrying amount	14.71	8.98	11.07	34.76
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

5. Goodwill

Rupees crores

Particulars	2019	2018
Balance at the beginning of the year	2,159.67	558.61
Additions during the year.....	—	1,593.96
Impairment during the year	(49.86)	—
Foreign exchange translation difference.....	(36.21)	7.10
Balance at the end of the year	2,073.60	2,159.67

Segment wise allocation of Goodwill

Goodwill is monitored by the management at the level of operating segments as described in Note 38. The carrying amount of goodwill has been allocated to segments as below:

Rupees crores

Particulars	2019	2018
Automotive.....	32.78	54.79
Farm Equipment.....	129.39	167.67
Financial Services.....	1.34	1.34
Real Estate	103.59	103.59
Hospitality.....	111.19	110.87
Others	1,695.31	1,721.41
Total	2,073.60	2,159.67

6. Other Intangible Assets

Rupees crores

	Development Expenditure	Computer Software	Brand License & Trademarks	Others	Total
COST					
Balance as at 1 st 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
Balance as at 1st April, 2018	4,887.51	650.81	168.91	393.71	6,100.94
Additions	2,651.30	105.30	2.72	2.19	2,761.51
Foreign exchange translation differences	2.22	(1.33)	(0.52)	(19.91)	(19.54)
Deductions.....	(89.86)	(20.50)	—	(15.09)	(125.45)
Balance as at 31st March, 2019	7,451.17	734.28	171.11	360.90	8,717.46
ACCUMULATED AMORTISATION AND IMPAIRMENT					
Balance as at 1 st 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
Balance as at 1st April, 2018	2,209.50	523.63	27.70	138.37	2,899.20
Amortisation expense for the year	1,139.89	95.67	9.90	34.24	1,279.70
Foreign exchange translation differences	(14.85)	(2.52)	(0.32)	(0.27)	(17.96)
Deductions.....	(89.86)	(20.50)	—	(15.09)	(125.45)
Balance as at 31st March, 2019	3,244.68	596.28	37.28	157.25	4,035.49
NET CARRYING AMOUNT					
Net carrying amount as at 31 st March, 2018.....	2,678.01	127.18	141.21	255.34	3,201.74
Net carrying amount as at 31st March, 2019.....	4,206.49	138.00	133.83	203.65	4,681.97

7. Investments

A. Non-Current Investments

a) Measured as per equity accounting method

Particulars	Rupees crores	
	2019	2018
Quoted		
Investments in Equity Instruments		
— of Associates *#.....	8,100.25	6,878.46
Total	8,100.25	6,878.46
Unquoted		
Investments in Equity Instruments		
— of Associates *	1,383.50	1,403.89
— of Joint ventures *	1,307.19	1,139.10
Total	2,690.69	2,542.99
Investments measured as per equity accounting method	10,790.94	9,421.45

During March 2019, the Company tendered 47,00,013 equity shares of Tech Mahindra Limited in the share buy-back scheme at Rs. 950 per equity share.

* Refer Note 36

b) Measured as per other than equity accounting method

Particulars	Rupees crores							
	Amortised Cost		FVTOCI		FVTPL		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Quoted								
Investments in Non Convertible Debentures / Bonds	25.00	62.00	—	—	—	—	25.00	62.00
Investments in Government Securities	664.42	709.45	—	—	—	—	664.42	709.45
Investments in Equity Instruments	—	—	237.31	6.89	—	—	237.31	6.89
Investments in Mutual Funds.....	—	—	—	—	6.98	5.01	6.98	5.01
	689.42	771.45	237.31	6.89	6.98	5.01	933.71	783.35
Unquoted								
Investments in Preference Shares								
— of Associates *	4.41	2.61	—	—	—	—	4.41	2.61
— of Joint ventures *	8.08	8.08	—	—	—	—	8.08	8.08
— of Other entities	13.78	10.15	—	—	—	—	13.78	10.15
Investments in Non Convertible Debentures / Bonds								
— of Joint ventures *	316.23	367.82	—	—	—	—	316.23	367.82
— of Other entities	6.38	0.04	—	—	—	—	6.38	0.04
Investments in Certificate of Deposits	—	—	10.89	—	—	—	10.89	—
Investments in Alternate Investment Fund	—	—	—	—	3.90	2.31	3.90	2.31
Investments in Equity Instruments	—	—	58.55	63.10	14.01	8.63	72.56	71.73
	348.88	388.70	69.44	63.10	17.91	10.94	436.23	462.74
Total	1,038.30	1,160.15	306.75	69.99	24.89	15.95	1,369.94	1,246.09

Other Disclosures :	Rupees crores	
	2019	2018
Aggregate amount of quoted investments (Gross)	9,033.96	7,661.81
Market Value of quoted Investments.....	24,246.56	21,635.36
Aggregate amount of unquoted investments (Gross).....	3,126.92	3,005.73

* Refer Note 36

7. Investments (contd.)
 B. Current Investments

Rupees crores

Particulars	Amortised Cost		FVTOCI		FVTPL		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Quoted								
Investments in Non Convertible Debentures / Bonds	37.00	102.75	—	—	—	—	37.00	102.75
Investments in Debentures / Bonds	—	—	56.22	147.13	104.32	105.67	160.54	252.80
Investments in Equity Instruments	—	—	0.01	0.01	—	—	0.01	0.01
Investments in Government Securities	44.80	—	—	—	—	—	44.80	—
Investments in Mutual Funds	—	—	—	—	3,543.07	3,558.36	3,543.07	3,558.36
	81.80	102.75	56.23	147.14	3,647.39	3,664.03	3,785.42	3,913.92
Unquoted								
Investments in Certificate of Deposits	204.39	0.32	481.93	641.24	469.10	—	1,155.42	641.56
Investments in Corporate Fixed Deposits	200.00	400.00	—	—	—	—	200.00	400.00
Investments in Commercial paper	268.34	300.51	107.34	93.99	590.70	—	966.38	394.50
Investments in Equity Instruments	—	—	—	0.09	—	—	—	0.09
	672.73	700.83	589.27	735.32	1,059.80	—	2,321.80	1,436.15
Total	754.53	803.58	645.50	882.46	4,707.19	3,664.03	6,107.22	5,350.07

Rupees crores

Other disclosures :	2019	2018
Aggregate amount of quoted investments	3,785.42	3,913.92
Market value of quoted investments	3,785.42	3,913.92
Aggregate amount of unquoted investments	2,321.80	1,436.15

8. Trade Receivables

Rupees crores

Particulars	Non Current		Current	
	2019	2018	2019	2018
Secured, considered good	7.90	10.16	699.39	641.18
Unsecured, considered good	606.62	503.68	8,591.12	7,848.64
Doubtful	11.20	1.42	249.59	182.00
	625.72	515.26	9,540.10	8,671.82
Less: Allowance for Expected Credit Losses	11.20	1.42	249.59	182.00
Total	614.52	513.84	9,290.51	8,489.82

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	
	2019	2018	2019	2018
a) Security Deposits				
— Unsecured, considered good.....	285.62	275.55	104.56	110.73
— Doubtful.....	0.46	0.53	0.04	0.26
	286.08	276.08	104.60	110.99
Less: Allowance for doubtful Security Deposits.....	0.46	0.53	0.04	0.26
Total (a).....	285.62	275.55	104.56	110.73
b) Loans to related parties				
— Unsecured, considered good.....	40.74	46.32	—	76.44
— Doubtful.....	17.00	10.00	—	—
	57.74	56.32	—	76.44
Less: Allowance for doubtful loans.....	17.00	10.00	—	—
Total (b).....	40.74	46.32	—	76.44
c) Other Loans				
— Secured, considered good.....	0.50	1.98	26.33	21.36
— Unsecured, considered good.....	181.82	197.58	172.18	455.56
— Doubtful.....	9.81	7.54	13.69	15.14
	192.13	207.10	212.20	492.06
Less: Allowance for doubtful loans.....	9.81	7.54	13.69	15.14
Total (c).....	182.32	199.56	198.51	476.92
d) Financial Services receivable #				
— Secured, considered good.....	35,916.78	27,835.44	20,123.07	16,645.89
— Unsecured, considered good.....	41.42	28.65	2,509.91	1,725.18
— Significant increase in credit risk.....	3,520.68	3,312.77	3,316.35	3,261.57
— Credit impaired.....	1,497.74	1,455.31	3,614.69	4,012.27
	40,976.62	32,632.17	29,564.02	25,644.91
Less: Allowance for doubtful loans.....	970.30	1,739.17	1,245.03	1,583.54
Total (d).....	40,006.32	30,893.00	28,318.99	24,061.37
Total (a)+(b)+(c)+(d).....	40,515.00	31,414.43	28,622.06	24,725.46

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

10. Other Financial Assets

Rupees crores

Particulars	Non Current		Current	
	2019	2018	2019	2018
Financial assets at amortised cost				
Bank deposit.....	138.58	86.04	—	—
Security deposit.....	61.87	35.29	31.97	26.73
Interest accrued on investment, other loans.....	—	—	306.73	245.49
Government grant receivable.....	416.78	153.57	104.61	587.29
Others.....	—	—	356.32	383.90
Financial Assets at Fair value				
Derivative financial assets	211.74	237.53	91.81	12.37
Total	828.97	512.43	891.44	1,255.78

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

Rupees crores

Particulars	2019	2018
Current Tax		
In respect of current year	2,740.64	2,576.38
In respect of prior years.....	(390.18)	(12.77)
Total Current Tax.....	2,350.46	2,563.61
Deferred Tax		
In respect of current year origination and reversal of temporary differences.....	626.28	784.92
Recognition of deferred tax asset on previous year losses.....	(116.43)	(980.80)
In respect of prior years.....	(6.31)	—
Total Deferred Tax	503.53	(195.88)
Total Income Tax expense.....	2,853.99	2,367.73

b) Income tax recognised in Other Comprehensive Income

Rupees crores

Particulars	2019	2018
Deferred Tax related to items recognised in other comprehensive income:		
Effective portion of gains and loss on designated portion of hedging instruments in a cash flow hedge.....	(26.32)	7.26
Net change in fair value of investments in debt instruments at FVTOCI.....	(3.41)	0.34
Net change in fair value of investments in equity shares at FVTOCI.....	1.96	0.73
Remeasurement of defined benefit plans.....	9.94	2.73
Exchange differences in translating the financial statements of foreign operations - Associates.....	(5.69)	—
Total.....	(23.52)	11.06
Classification of income tax recognised in other comprehensive income.....		
Income taxes related to items that will not be reclassified to profit or loss.....	11.90	3.46
Income taxes related to items that will be reclassified to profit or loss.....	(35.42)	7.60
Total.....	(23.52)	11.06

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	2019	2018
Profit Before Tax.....	8,870.84	10,325.52
Applicable Income Tax rate.....	34.94%	34.61%
Expected Income Tax expense.....	3,099.83	3,573.46
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.....	271.18	(49.82)
Effect of change in tax rates.....	—	13.88
Effect of income exempt from tax.....	(648.68)	(713.71)
Effect of expenses/provisions that is non-deductible in determining taxable profit.....	194.99	198.15
Effect of concessions (R&D and other allowances).....	(102.15)	(74.23)
Effect of unused tax losses & tax offsets for which no deferred tax asset has been recognised.....	538.58	444.40
Recognition of deferred tax asset on previous year losses.....	(116.43)	(980.80)
Write back of tax provision of earlier years.....	(396.49)	(12.77)
Others.....	13.16	(30.83)
Income tax expense recognised in profit or loss.....	2,853.99	2,367.73

11. Current Tax and Deferred Tax (contd.)

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 there from.

		<i>Rupees crores</i>	
Particulars	2019	2018	
Deductible Temporary differences (no expiry date)	977.80	485.95	
Unused Tax losses (revenue in nature)	13,104.37	11,110.60	
Unused Tax losses (capital in nature).....	19.40	739.72	
Unused tax credits	148.30	145.54	
Total	14,249.87	12,481.81	

e) Unused Tax losses - Revenue in nature

		<i>Rupees crores</i>	
Particulars	2019	2018	
Expiry period			
Upto Five Years	7,587.30	7,407.01	
More than Five Years	3,042.80	2,274.44	
No Expiry Date	2,474.27	1,429.15	
Total	13,104.37	11,110.60	

f) Unused Tax losses - Capital in nature

		<i>Rupees crores</i>	
Particulars	2019	2018	
Expiry period			
Upto Five Years	10.82	729.17	
No Expiry Date	8.58	10.55	
Total	19.40	739.72	

g) Unused tax credits

		<i>Rupees crores</i>	
Particulars	2019	2018	
Expiry period			
Upto Five Years	113.37	115.19	
More than Five Years	34.93	30.35	
Total	148.30	145.54	

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

Particulars	2019	2018	
Undistributed earnings.....	6,757.41	5,009.37	

11. Current Tax and Deferred Tax (contd.)
i) Movement in deferred tax balances

 Year ended 31st March, 2019

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in equity for Ind AS 115	Recognised in OCI	Foreign exchange translation differences	Others	Closing Balance
Tax effect of items resulting in taxable temporary differences							
Fiscal allowances on property, plant and equipment and intangible assets.....	2,343.08	400.45	—	—	(13.31)	—	2,730.22
Undistributed profit of subsidiaries, associates and joint ventures.....	1,124.09	179.92	—	18.65	—	—	1,322.66
Others	88.48	(53.80)	—	8.74	0.19	108.13	151.74
	3,555.65	526.57	—	27.39	(13.12)	108.13	4,204.62
Tax effect of items resulting in deductible temporary differences							
Provision for employee benefits.....	275.45	224.20	—	9.94	(0.21)	—	509.38
Allowances for expected credit loss.....	870.89	(333.09)	—	—	(0.30)	—	537.50
Carried forward tax losses	184.31	197.06	—	—	(1.26)	—	380.11
MAT credit	1,345.58	(105.62)	—	—	—	—	1,239.96
Unrealised gain on inter-company transactions (net)	148.48	52.67	—	—	—	—	201.15
Tax credit on undistributed profit of subsidiaries	—	78.27	—	—	—	—	78.27
Others	(14.88)	(90.45)	706.40	(6.07)	(5.15)	—	589.85
	2,809.83	23.04	706.40	3.87	(6.92)	—	3,536.22
Net Deferred Tax Asset / (Liabilities).....	(745.82)	(503.53)	706.40	(23.52)	6.20	(108.13)	(668.40)

 Year ended 31st March, 2018

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in OCI	Foreign exchange translation differences	Acquired in Business Combination	Closing Balance
Tax effect of items resulting in taxable temporary differences						
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	17.58	—	(0.83)	36.49	88.48
	3,041.81	424.48	—	0.54	88.82	3,555.65
Tax effect of items resulting in deductible temporary differences						
Provision for Employee benefits.....	244.06	21.80	2.73	0.58	6.28	275.45
Allowances for expected credit loss.....	882.40	(16.62)	—	—	5.11	870.89
Carryforward 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	620.36	11.06	2.35	15.03	2,809.83
Net Deferred Tax Assets / (Liabilities).....	(880.78)	195.88	11.06	1.81	(73.79)	(745.82)

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

Rupees crores

	2019	2018
Deferred Tax Assets (net)	1,502.91	841.60
Deferred Tax Liabilities (net)	2,171.31	1,587.42
Net Deferred Tax Assets / (Liabilities)	(668.40)	(745.82)

12. Other Assets (Non-Financial)

Rupees crores

Particulars	Non Current		Current	
	2019	2018	2019	2018
Capital Advances.....	734.26	695.60	—	—
Balances with government authorities (other than income taxes).....	846.75	1,177.66	2,266.71	2,038.51
Contract Assets	—	—	73.51	—
Contract Cost Assets	642.83	—	45.59	—
Others	599.81	609.40	1,173.93	1,269.60
Total	2,823.65	2,482.66	3,559.74	3,308.11

Others include advances to suppliers, prepaid expenses.

Contract Cost Assets represents deferred acquisition costs.

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

Particulars	2019
Reclassification of opening balances of contract assets to trade receivables.....	96.46
Adjustments due to contract modification	1.79
Impairment of contract asset.....	2.11

In addition to the contract balances disclosed above, the group has also recognised a contract cost asset in relation to a long-term contract.

Particulars	2019
Assets recognised from cost incurred to fulfil a contract.....	688.42
Amortisation expenses recognised as cost of providing services during the year.....	43.77

13. Inventories

Rupees crores

Particulars	2019	2018
Raw materials and bought-out components [includes in-transit Rs. 712.67 crores (2018: Rs. 839.73 crores)].....	4,070.78	3,432.83
Work-in-progress.....	513.87	569.92
Work-in-progress-property development activity and long term contracts.....	1,840.94	1,331.52
Finished products produced	4,042.95	2,627.75
Stock-in-trade [includes in transit Rs. 141.35 crores (2018: Rs. 93.37 crores)].....	1,343.37	1,014.62
Manufactured components.....	166.00	159.15
Stores and Spares	144.71	130.75
Loose Tools	64.62	55.43
Food, beverages, smokes and operating supplies	12.92	13.60
Total	12,200.16	9,335.57

- The cost of inventories recognised as an expense during the year was **Rs. 72,895.30 crores** (2018: Rs.63,305.05 crores).
- The cost of inventories recognised as an expense include **Rs. 123.53 crores** (2018: Rs. 88.46 crores) in respect of write-down of inventory to net realisable value, and has been reduced by **Rs. 21.66 crores** (2018: Rs. 44.13 crores) in respect of the reversal of such write downs.
- 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.
- Mode of valuation of inventories is stated in Note 2 (i).

14. Cash and Cash Equivalents and Bank Balance
Rupees crores

Particulars	2019	2018
a) Cash and Cash Equivalents		
Balances with banks		
– On current accounts	5,377.01	3,473.79
– On saving accounts.....	0.05	0.08
– Fixed deposits with original maturity of less than 3 months.....	381.65	763.32
Cheques, drafts on hand.....	331.15	200.81
Cash on hand	49.14	28.63
Total	6,139.00	4,466.63
b) Bank balances other than Cash and Cash Equivalents		
Earmarked balances with banks.....	48.20	43.67
Balances with banks on margin accounts.....	56.78	55.89
Fixed deposits.....	2,490.93	1,981.41
Total	2,595.91	2,080.97

15. Equity Share Capital
Rupees crores

Particulars	2019	2018
Authorised :		
8,10,00,00,000 (2018: 8,10,00,00,000) Ordinary (Equity) Shares of Rs. 5 each	4,050.00	4,050.00
25,00,00,000 Unclassified Shares of Rs.100 each.....	25.00	25.00
	4,075.00	4,075.00
Issued,Subscribed and Paid-up:		
1,24,31,92,544 (2018: 1,24,31,92,544) Ordinary (Equity) Shares of Rs. 5 each fully paid up	621.60	621.60
Less:		
5,16,05,412 (2018: 5,32,59,518) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to ESOP Trust but not yet allotted to employees.....	25.80	26.63
Less:		
10,36,70,428 (2018: 10,36,70,428) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M Benefit Trust	51.84	51.84
Adjusted Issued,Subscribed and Paid-up Share Capital.....	543.96	543.13

15. Equity Share Capital (contd.)

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

Particulars	2019		2018	
	No. of Shares	Rupees Crores	No. of Shares	Rupees Crores
Issued, Subscribed and Paid-up :				
Balance as at the beginning of the year.....	124,31,92,544	621.60	62,10,92,384	310.55
Add: Shares issued under Scheme of Arrangement.....	—	—	503,888	0.25
Issue of Bonus Shares	—	—	62,15,96,272	310.80
Balance as at the end of the year.....	1,243,192,544	621.60	124,31,92,544	621.60
Less :				
Shares issued to M&M ESOP Trust but not allotted to Employees	5,16,05,412	25.80	5,32,59,518	26.63
Shares issued to M&M Benefit Trust.....	10,36,70,428	51.84	10,36,70,428	51.84
Adjusted Issued,Subscribed and Paid-up Share Capital.....	1,087,916,704	543.96	108,62,62,598	543.13

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

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

Name of the Shareholder	2019		2018	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Prudential Management and Services Pvt. Ltd.	14,15,21,940	11.38	14,15,21,940	11.38
Life Insurance Corporation of India.....	12,32,82,698	9.92	10,83,68,931	8.72
M&M Benefit Trust	10,36,70,428	8.34	10,36,70,428	8.34
J.P. Morgan Chase Bank, N.A. (for GDR holders).....			7,21,86,492	5.81

(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 (2018 : 5,03,888) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up pursuant to Schemes of Arrangement without payment having been received in cash.
- Aggregate of 62,15,96,272 (2018 : 62,15,96,272) Ordinary (Equity) Shares of Rs. 5 each allotted as fully paid-up by way of bonus shares.

16. Other Equity

Details of Dividends proposed	Rupees crores	
	2019	2018
Proposed Dividend per equity share (Rs.).....	8.50	7.50

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

Particulars	2019	2018
<i>Rupees crores</i>		
Secured (Carried at Amortised Cost) :		
Debentures & Bonds.....	14,099.58	12,667.14
Term Loan		
(i) From Banks	18,752.38	13,620.34
(ii) From other parties	43.07	73.67
Other Loans.....	96.44	80.13
	32,991.47	26,441.28
Unsecured (Carried at Amortised Cost) :		
Debentures & Bonds.....	4,851.34	4,426.56
Term Loan		
(i) From Banks	686.11	419.32
(ii) From other parties	27.84	81.68
Deposits	4,281.48	1,600.86
Other Loans.....	687.93	839.48
	10,534.70	7,367.90
Total	43,526.17	33,809.18

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

The borrowings carry varying rates of interest ranging from 0% to 11.75% p.a. and have maturities starting from 2019 and ending with 2063.

b) Current maturities of Long Term borrowing - Refer Note 19
B. Short Term Borrowings

Particulars	2019	2018
<i>Rupees crores</i>		
Secured (Carried at Amortised Cost) :		
Other loans.....	1,505.37	1,151.67
Loans repayable on demand		
– From Banks and Cash credit account.....	1,522.20	2,310.55
Term Loan from Banks	887.11	899.13
	3,914.68	4,361.35
Unsecured (Carried at Amortised Cost) :		
Deposits	488.23	261.73
Other loans.....	355.80	433.85
Loans repayable on demand		
– From Banks and Cash credit account.....	1,725.22	786.74
Loan from related parties.....	517.06	132.97
Commercial Papers.....	3,016.48	4,573.09
Term Loan from Banks	523.54	775.81
	6,626.33	6,964.19
Total	10,541.01	11,325.54

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

17. Borrowings (contd.)

Reconciliation of movement in borrowings to cash flows from financing activities

Rupees crores

Particulars	2019	2018
Opening balance		
– Long Term Borrowings	33,809.18	30,124.51
– Short Term Borrowings	11,325.54	10,121.65
– Current maturities of Long term borrowings	10,763.20	8,515.75
– Unclaimed matured Deposits.....	0.50	0.84
Total Opening Balance	55,898.42	48,762.75
Cash flow movements		
– Proceeds from borrowings.....	71,389.41	66,819.38
– Repayment of borrowings	(56,573.82)	(60,213.53)
– Net increase in Loans repayable on demand and cash credit	221.82	(144.52)
	15,037.41	6,461.33
Non-cash movements		
– On account of Business combinations during the year.....	25.07	316.11
– Effect of amortisation of loan origination costs and foreign exchange translation.....	(107.38)	358.23
	(82.31)	674.34
Closing Balance		
– Long Term Borrowings	43,526.17	33,809.18
– Short Term Borrowings	10,541.01	11,325.54
– Current maturities of Long term borrowings	16,781.12	10,763.20
– Unclaimed matured Deposits.....	5.22	0.50
Total Closing Balance	70,853.52	55,898.42

18. Trade Payables

Rupees crores

Particulars	Non Current		Current	
	2019	2018	2019	2018
Acceptances.....	—	—	4,438.98	3,998.12
Trade payable - Micro and small enterprises	—	—	166.98	237.75
Trade payable - Other than micro and small enterprises	7.93	4.88	16,386.21	14,051.47
Total	7.93	4.88	20,992.17	18,287.34

19. Other Financial Liabilities

Rupees crores

Particulars	Non Current		Current	
	2019	2018	2019	2018
Carried at Amortised Cost				
Current maturities of long-term debt.....	—	—	16,781.12	10,763.20
Unclaimed dividends.....	—	—	19.91	19.72
Unclaimed matured deposits and interest accrued thereon.....	—	—	5.22	0.50
Interest accrued.....	364.60	380.05	1,577.17	1,315.81
Others	370.62	419.69	2,484.26	2,042.73
Carried at Fair value				
Derivative financial liabilities and gross obligation to acquire non-controlling interest	720.10	889.72	311.26	66.47
Total	1,455.32	1,689.46	21,178.94	14,208.43

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

20. Provisions
Rupees crores

Particulars	Non Current		Current	
	2019	2018	2019	2018
Provision for employee benefits.....	3,179.34	2,864.42	599.50	491.11
Provision for warranties.....	883.18	876.55	684.11	672.71
Provision for service coupons.....	31.41	39.49	124.45	151.22
Provision for others.....	6.71	5.22	208.39	80.22
Total	4,100.64	3,785.68	1,616.45	1,395.26

Provision for warranty relates to provision made in respect of sale of certain products, the estimated cost of which is accrued at the time of sale. The products are generally covered under a free warranty period ranging from 6 months to 5 years.

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

Rupees crores

Particulars	Provision for warranty		Provision for service coupons	
	2019	2018	2019	2018
Opening Balance.....	1,549.26	1,375.19	190.71	134.73
Additional provisions recognised.....	582.86	649.29	116.39	150.61
Adjustment due to acquisition / disposal of subsidiaries.....	—	18.14	—	—
Amounts utilised.....	(569.18)	(579.30)	(156.51)	(98.80)
Unwinding of discount.....	22.56	23.42	5.27	4.17
Foreign exchange translation differences.....	(18.21)	62.52	—	—
Closing Balance	1,567.29	1,549.26	155.86	190.71

21. Other Non Financial Liabilities
Rupees crores

Particulars	Non Current		Current	
	2019	2018	2019	2018
Advances received from customers.....	—	51.44	—	844.22
Deferred Income.....	—	2,092.67	—	295.82
Statutory dues (other than income taxes).....	—	—	2,215.04	2,143.62
Contract Liabilities.....	5,042.89	—	1,683.55	—
Others.....	—	14.98	242.50	245.20
Total	5,042.89	2,159.09	4,141.09	3,528.86

Contract Liabilities represents deferred revenue and advance received from customers.

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

	2019
Recognition of revenue arising from contract liabilities.....	1,438.76

22. Revenue from Operations

Rupees crores

Particulars	2019	2018
Sale of products.....	85,631.26	78,005.02
Sale of services.....	6,848.71	5,047.88
Interest income of financial services business.....	9,962.80	8,353.21
Income from long term contracts.....	572.46	535.09
Lease and rental income.....	0.38	0.30
Gross revenue from sale of products and services.....	103,015.61	91,941.50
Other operating revenue		
– Government grant and incentives.....	354.62	348.15
– Scrap sales.....	255.02	211.03
– Others.....	1,095.43	764.09
Total.....	104,720.68	93,264.77

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 2019 are not comparable with the previous periods presented in the above table.

Revenue from operations comprises of :

Rupees crores

Particulars	2019
(a) From contract with customers (as defined under Ind AS 115)	
Sale of products.....	85,631.26
Sale of services.....	6,848.71
Income from long term contracts.....	572.46
Other operating revenue.....	613.90
	93,666.33
(b) From financial services	
Interest income of financial services business.....	9,962.80
	9,962.80
(c) Others	
Lease and rental income.....	0.38
Other operating revenue.....	1,091.17
	1,091.55

The Group undertakes periodic revalidations in the estimate of variable consideration on account of various economic factors. The amount of revenue recognised in the period ended 31st March 2019 from performance obligations satisfied (or partially satisfied) in previous periods is aggregating to **Rs. 78.09 crores**.

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

Rupees crores

Particulars	2019
Time Band	
Less than 1 year.....	1,413.23
Greater than 1 year but less than 5 year.....	2,365.09
Greater than 5 year.....	3,435.95
Total.....	7,214.27

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

22. Revenue from Operations (contd.)

Reconciliation of revenue recognised in the statement of Profit and Loss with contracted price

Rupees crores

Particulars	2019
Revenue from contract with customer as per the contract price	96,204.39
Adjustments made to contract price	
– Trade discounts, volume rebates, return etc.....	(3,401.05)
– Recognition of revenue out of opening balance of contract liability	862.99
Revenue from contract with customer as per the statement of Profit and Loss	93,666.33

Revenue disaggregation as per nature of products and geography has been included in segment information. (Refer note no. 38)

Effect of application of Ind AS 115 on financial statements

The impact of application of Ind AS 115 on the consolidated financial statement mainly arises from the 'Hospitality' and 'Real estate' segments. In the Hospitality segment, due to the application of Ind AS 115, the membership fees and incremental costs to obtain and/or fulfill a contract with a customer, as applicable, is recognised over the effective membership period. The previous standard permitted the upfront recognition of the non refundable admission fees on sale of membership. In the Real estate segment, the changes are due to recognition of revenue from contract with customers based on satisfaction of performance obligation at a point in time as opposed to previously permitted percentage of completion method. The transitional adjustment of **Rs. 1,417.41 crores**, net of deferred tax, has been adjusted to Other Equity and Non-Controlling Interests.

The following table summarises the impact of adopting Ind AS 115 on the Group's consolidated financial statements for the year ended 31st March 2019 for each of the lines affected.

Consolidated Balance Sheet as at 31st March, 2019
Rupees crores

Particulars	2019			2018
	As reported	Impact of Ind AS 115	Amount without adoption of Ind AS 115	Amount without adoption of Ind AS 115
ASSETS				
Non-Current Assets				
Investments accounted using Equity method	10,790.94	7.11	10,798.05	9,421.45
Financial assets				
– Trade receivables.....	614.52	(55.43)	559.09	513.84
Deferred tax assets (net)	1,502.91	(726.86)	776.05	841.60
Other non-current assets	2,823.65	(603.00)	2,220.65	2,482.66
Current Assets				
Inventories	12,200.16	(499.67)	11,700.49	9,335.57
Financial assets				
– Trade receivables.....	9,290.51	(114.88)	9,175.63	8,489.82
Other current assets	3,559.74	77.27	3,637.01	3,308.11
TOTAL ASSETS.....	1,63,391.57	(1,915.46)	1,61,476.11	1,37,210.91
EQUITY AND LIABILITIES				
Equity				
Equity attributable to owners of the Company	39,983.41	997.61	40,981.02	36,775.19
Non-controlling Interests.....	8,360.57	506.36	8,866.93	8,250.47

22. Revenue from Operations (contd.)

Rupees crores

Particulars	2019			2018
	As reported	Impact of Ind AS 115	Amount without adoption of Ind AS 115	Amount without adoption of Ind AS 115
LIABILITIES				
Non- Current Liabilities				
Other non-current Liabilities	5,042.89	(2,743.88)	2,299.01	2,159.09
Current Liabilities				
Financial liabilities				
– Trade payables				
(a) Total outstanding dues of creditors other than micro and small enterprises.....	20,825.19	(21.00)	20,804.19	18,049.59
– Other financial Liabilities.....	21,178.94	74.92	21,253.86	14,208.43
Other current Liabilities	4,141.09	(729.47)	3,411.62	3,528.86
TOTAL EQUITY AND LIABILITIES.....	1,63,391.57	(1,915.46)	1,61,476.11	1,37,210.91

Consolidated Statement of Profit and Loss for the year ended 31st March, 2019

Rupees crores

Particulars	2019			2018
	As reported	Impact of Ind AS 115	Amount without adoption of Ind AS 115	Amount without adoption of Ind AS 115
Revenue from contract with customers.....	1,04,720.68	112.10	1,04,832.78	93,264.77
Employee Benefits Expense	11,563.89	21.96	11,585.85	10,004.62
Other Expenses.....	19,052.43	(62.13)	18,990.30	16,820.50
Profit Before Exceptional Items and Tax	7,280.00	152.27	7,432.27	6,590.14
Share of profit/(loss) of associates and joint ventures (net).....	1,366.52	(40.89)	1,325.63	1,107.26
Profit before tax	8,870.84	111.38	8,982.22	10,325.52
Deferred tax	503.53	23.41	526.94	(195.88)
Profit after tax	6,016.85	87.97	6,104.82	7,957.79
Profit for the year attributable to:				
a) Owners of the Company.....	5,315.46	73.02	5,388.48	7,510.39
b) Non-controlling interest	701.39	14.95	716.34	447.40
Earnings per share				
(Face value Rs. 5/- per share) (Rupees)				
Basic EPS	48.91	0.67	49.58	69.20
Diluted EPS	48.70	0.67	49.37	68.86

There is no significant impact of Ind AS 115 on the Consolidated Statement of Cash Flow for the year ended 31st March, 2019.

23. Other Income
Rupees crores

Particulars	2019	2018
Interest Income		
– On financial assets carried at amortised cost.....	359.47	282.20
– On financial assets carried at FVTOCI.....	64.71	50.20
Dividend income		
– Mutual funds.....	85.69	70.59
Net gains / losses on financial instruments	408.88	99.43
Profit on sale of property, plant and equipment and intangible assets	11.14	11.84
Other non-operating income (net of directly attributable expenses)	155.72	116.77
Total	1085.61	631.03

24. Cost of Materials Consumed
Rupees crores

Particulars	2019	2018
Opening inventory.....	3,432.83	3,003.85
Add: Purchases	56,727.60	48,735.83
	60,160.43	51,739.68
Add: Inventory on acquisition	—	104.10
	60,160.43	51,843.78
Less: Closing Inventory	4,070.78	3,432.83
Foreign currency translation difference.....	30.55	28.91
Total	56,120.20	48,439.86

25. Changes In Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade
Rupees crores

Particulars	2019	2018
Inventories at the beginning 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
Add: Stock on Acquisition/(disposal)		
Finished goods produced.....	—	17.85
Work-in-progress	—	53.59
	—	71.44
Less: Inventories at the end of the year:		
Finished goods produced.....	4,042.95	2,627.75
Work-in-progress	513.87	569.92
Stock-in-trade.....	1,343.37	1,014.62
Manufactured Components.....	166.00	159.15
	6,066.19	4,371.44
Foreign currency translation difference.....	(35.73)	95.70
Net (increase) / decrease in inventory	(1,730.48)	83.33

26. Employee Benefits Expense*Rupees crores*

Particulars	2019	2018
Salaries and wages, including bonus	9,566.61	8,229.92
Contribution to provident and other funds.....	777.96	681.99
Share based payment expenses.....	143.04	112.00
Staff welfare expenses	1,076.28	980.71
Total	11,563.89	10,004.62

27. Finance Cost*Rupees crores*

Particulars	2019	2018
Interest expense on Financial liabilities at amortised cost	4,908.10	3,879.04
Other borrowing cost.....	113.25	108.05
Total	5,021.35	3,987.09

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

28. Other Expenses*Rupees crores*

Particulars	2019	2018
Stores consumed	342.58	308.39
Tools consumed.....	59.35	57.09
Power & fuel	817.11	733.90
Rent including lease rentals.....	743.35	672.72
Insurance.....	178.81	144.55
Repairs and maintenance.....	860.32	792.67
Advertisement.....	1,015.85	905.06
Commission on sales / contracts (net).....	1,841.93	1,783.87
Freight outward.....	3,570.71	2,252.22
Sales promotion expenses.....	1,652.49	1,249.02
Travelling and conveyance expenses.....	690.33	583.71
Cost of projects.....	816.68	648.08
Subcontracting, hire and service charges.....	2,252.23	1,784.03
Provision for expected credit losses including write offs.....	299.99	899.16
Donations and contributions.....	151.07	128.32
Miscellaneous expenses.....	3,759.63	3,877.71
Total	19,052.43	16,820.50

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

Rupees crores

Particulars	2019
Expected credit loss on:	
– Trade receivables.....	136.88
– Contract assets.....	2.11
– Financial services receivables.....	66.20
– Other financial assets.....	94.80
Total	299.99

29. Exceptional Items (Net)

Exceptional items (net) recognised in profit or loss

Rupees crores

Particulars	2019	2018
Gain on disposal of interest in associates and joint ventures	384.86	1,113.45
Gain on change in ownership interest/relationships of subsidiaries, associates and joint ventures.....	194.42	1,514.67
Impairment of investments and goodwill	(354.96)	—
Total	224.32	2,628.12

30. Earnings Per Share (EPS)

Particulars	2019	2018
Profit for the year for basic and diluted EPS (Rupees crores)	5,315.46	7,510.39
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	1,086,805,987	1,085,246,206
Effect of dilutive potential Ordinary (Equity) Shares	4,760,035	5,370,700
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	1,091,566,022	1,090,616,906
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	48.91	69.20
Diluted Earnings per share (Rs.)	48.70	68.86

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

Post retirement housing allowance

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

Risk exposure

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

Asset volatility

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

Changes in bond yields

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

Inflation risk

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

31. Employee Benefits (contd.)

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, 2019

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2019	2018	2019	2018	2019	2018	2019	2018
1 Amounts recognised in profit or loss								
Current service cost	90.17	84.82	267.91	238.40	2.85	2.22	2.67	2.50
Past service cost	—	—	—	—	—	4.49	—	—
Effect of the limit in Para 64 (b) of the Ind AS 19	—	(3.84)	—	—	—	—	—	—
Net interest expense	21.33	18.26	62.19	52.04	3.38	2.40	4.29	3.83
Total amount included in employee benefits expense	111.50	99.24	330.10	290.44	6.23	9.11	6.96	6.33
2 Amounts recognised in other comprehensive income								
Remeasurement (gains)/ losses:								
a) Actuarial (gains)/ losses arising from changes in -								
– demographic assumptions	0.68	2.37	19.06	1.06	0.11	—	(0.67)	—
– financial assumptions	23.04	(16.00)	120.48	(46.73)	1.97	(1.20)	1.80	(1.23)
– experience adjustments	3.90	17.54	10.31	(79.21)	(3.88)	4.84	3.41	1.01
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(4.07)	(6.25)	—	—	—	—	—	—
Total amount recognised in other comprehensive income	23.55	(2.34)	149.85	(124.88)	(1.80)	3.64	4.54	(0.22)
3 Changes in the defined benefit obligation								
Opening defined benefit obligation	1,073.30	995.86	1,977.38	1,836.31	44.10	32.35	55.56	51.32
Add/(less) on account of business combination	—	21.76	—	18.36	—	—	—	—

31. Employee Benefits (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity		Post retirement medical benefits		Post retirement housing allowance	
	2019	2018	2019	2018	2019	2018	2019	2018
Current service cost	90.17	84.82	267.91	238.40	2.85	2.22	2.67	2.50
Past service cost	—	—	—	—	—	4.49	—	—
Interest expense	66.08	56.69	62.19	52.04	3.38	2.40	4.29	3.83
Remeasurements (gains)/ losses	27.62	3.91	149.85	(124.88)	(1.80)	3.64	4.54	(0.22)
Benefits paid	(91.44)	(95.32)	(154.79)	(142.27)	(1.40)	(1.22)	(1.87)	(1.87)
Foreign exchange translation difference	5.22	5.58	(15.59)	99.42	—	0.22	—	—
Closing defined benefit obligation	1,170.95	1,073.30	2,286.95	1,977.38	47.13	44.10	65.19	55.56
4 Changes in fair value of plan assets								
Opening fair value of plan assets	794.42	686.37	—	—	—	—	—	—
Add/(less) on account of business combination	—	18.65	—	—	—	—	—	—
Interest income	44.75	38.43	—	—	—	—	—	—
Return on plan assets excluding interest income	4.07	6.25	—	—	—	—	—	—
Contributions by employer	170.88	136.03	—	—	1.40	1.22	1.87	1.87
Benefits paid	(91.44)	(95.32)	—	—	(1.40)	(1.22)	(1.87)	(1.87)
Foreign exchange translation difference	4.07	4.01	—	—	—	—	—	—
Closing fair value of plan assets	926.75	794.42	—	—	—	—	—	—
5 Net defined benefit obligation								
Defined benefit obligation	1,170.95	1,073.30	2,286.95	1,977.38	47.13	44.10	65.19	55.56
Fair value of plan assets	926.75	794.42	—	—	—	—	—	—
Surplus/(Deficit)	(244.20)	(278.88)	(2,286.95)	(1,977.38)	(47.13)	(44.10)	(65.19)	(55.56)
Current portion of the above	(142.55)	(132.36)	(10.61)	(9.94)	(1.63)	(1.51)	(3.18)	(1.87)
Non current portion of the above	(101.65)	(146.52)	(2,276.34)	(1,967.44)	(45.50)	(42.59)	(62.01)	(53.69)

31. Employee Benefits (contd.)

Rupees crores

Particulars	2019	2018
6 Actuarial Assumptions and sensitivity		
a Actuarial assumptions		
Discount rate (%).....	0.25 - 8.00	0.43 - 8.10
Attrition rate (%).....	1.50 - 48.91	1.00 - 48.91
Cost inflation (%).....	7.00 - 10.00	3.00 - 10.00
The estimate of future salary increases, considered in actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.		
b Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
Assumptions		
One percentage point increase in discount rate.....	(354.35)	(315.81)
One percentage point decrease in discount rate	387.11	350.22
One percentage point increase in salary growth rate.....	350.51	313.35
One percentage point decrease in salary growth rate.....	(315.15)	(278.69)
One percentage point increase in attrition rate.....	(57.90)	(49.78)
One percentage point decrease in attrition rate.....	50.06	46.98
One percentage point increase in medical inflation rate	6.62	5.91
One percentage point decrease in medical inflation rate	(5.51)	(4.98)
7 Maturity profile of defined benefit obligation		
Time periods		
Within 1 year	222.51	201.42
2 - 5 year	869.43	749.07
Between 6 and 9 years.....	1,131.56	990.37
10 years and above.....	3,276.53	3,209.54

Trust-managed Provident fund

Rupees crores

Particulars	2019	2018
I Net defined benefit obligation		
Defined benefit obligation.....	2,397.48	2,220.30
Fair value of plan assets.....	2,397.48	2,220.30
Surplus/(Deficit).....	—	—
II Actuarial assumptions		
Discount rate.....	7.50%	7.85%
Average remaining tenure of investment portfolio (years).....	5.70	5.95
Guaranteed rate of return.....	8.65%	8.55%

Group's contribution (in respect of companies where applicable) for Provident Fund and Superannuation Fund aggregating Rs. 336.33 crores (2018 : Rs. 292.31 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 :

Particulars	2019	2018
Total Equity	37,851.64	36,237.85
Net Debt		
Short term debt.....	5,438.16	5,099.73
Long term debt (including current portion of long term debt).....	7,237.00	6,262.34
Gross Debt	12,675.16	11,362.07
Less :		
Current investments	3,914.12	4,937.51
Cash and Bank Balances	7,740.88	6,069.71
Net Debt	1,020.16	354.85
Total Capital deployed	38,871.80	36,592.70

Rupees crores

33. Financial Instruments

Financial Risk Management Framework

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

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

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

1. Market Risk Management

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

(a) Currency Risk

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

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

33. Financial Instruments (contd.):

(a) Currency Risk (contd.)

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, 2019					
Financial Assets	1,202.70	409.39	25.92	592.17	2,230.18
Financial Liabilities	2,482.77	2,158.02	800.79	238.72	5,680.30
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

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	2019		2018	
	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets / (Liabilities)	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets / (Liabilities)
Cash Flow Hedges				
<i>Buy currency</i>				
Maturing in 1+ years				
— EUR/INR	388.30	(47.83)	404.08	3.87
<i>Sell currency</i>				
Maturing less than 1 year				
— USD/INR	924.29	11.04	408.39	2.00
— USD/KRW	274.17	(2.24)	—	—
— GBP/KRW	90.62	0.12	0.07	15.97
— EUR/KRW	—	—	0.13	63.62
— ZAR/INR	233.63	23.75	215.57	(12.21)
— EUR/INR	1,641.43	(0.02)	37.23	(0.59)
— AUD/INR	—	—	39.60	1.15

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

(b) Interest Rate Risk

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

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

Hedge Accounting : Interest Rate Swaps

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

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

Rupees crores

Outstanding Contracts	2019			2018		
	Average interest rate	Notional value	Carrying amount of hedging instrument included in Other Financial Assets / (Liabilities)	Average interest rate	Notional value	Carrying amount of hedging instrument included in Other Financial Assets / (Liabilities)
Cash Flow Hedges						
<i>Floating to fixed Interest Rate Swaps</i>						
— EUR						
Maturing in 1+ years	0.74%	388.30	(0.43)	0.74%	404.08	3.58
Total			(0.43)			3.58

33. Financial Instruments (contd.):

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

Rupees crores

Particulars	2019			2018		
	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 ...	(88.46)	2.32	(86.14)	93.10	2.31	95.41
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction..	25.93	—	25.93	(79.82)	—	(79.82)
(Gains)/Losses transferred to Profit or Loss due to cash flows no longer expected to occur	—	—	—	0.03	—	0.03
Change in Fair Value of Effective Portion of cash flow hedges.....	4.80	(4.01)	0.79	18.45	0.04	18.49
Deferred Tax on the above.....	(12.70)	1.40	(11.30)	7.29	(0.03)	7.26
Balance at the end of the year	(70.43)	(0.29)	(70.72)	39.05	2.32	41.37
Add / (Less) : Non Controlling interest ..	1.65	—	1.65	11.27	—	11.27
Add: Share of Associate/Joint Venture ..	32.47	—	32.47	(138.78)	—	(138.78)
Total	(36.31)	(0.29)	(36.60)	(88.46)	2.32	(86.14)
Of the above:						
Balance relating to continuing hedges..	(36.31)	(0.29)	(36.60)	(88.46)	2.32	(86.14)

2. Credit Risk Management

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

(a) Financial Guarantees

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

Rupees crores

Particulars	2019	2018
Financial guarantee liabilities.....	34.42	39.25

The Group's maximum exposure to credit risk in respect of Financial Guarantee contracts is **Rs. 440.41 crores** and Rs. 847.96 crores as at 31st March, 2019 and 2018 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:

Rupees crores

Other than related to hospitality segment	Not due	Less than 6 months past due	More than 6 months past due	Total
As at 31st March, 2019				
Gross carrying amount	2,979.91	4,619.69	875.72	8,475.32
Loss allowance provision.....	—	(16.85)	(234.56)	(251.41)
Net.....	2,979.91	4,602.84	641.16	8,223.91
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

33. Financial Instruments (contd.):

(b) Trade Receivables (contd.)

	2019	2018
Related to hospitality segment		
Gross carrying amount	1,690.50	1,579.39
Loss allowance provision	(9.38)	(33.20)
Net.....	1,681.12	1,546.19

Reconciliation of loss allowance for Trade Receivables:

Other than related to hospitality segment

Rupees crores

Particulars	2019	2018
Balance as at beginning of the year	150.22	126.87
Additions during the year.....	121.81	59.79
Amounts written off during the year.....	(3.80)	(9.30)
Amount recovered during the year	(5.65)	(7.53)
Impairment losses reversed / written back	(8.39)	(23.06)
Foreign exchange translation difference	(2.78)	3.45
Balance as at end of the year	251.41	150.22

Related to hospitality segment

Rupees crores

Particulars	2019	2018
Balance as at beginning of the year	33.20	78.18
Additions during the year.....	7.09	1.21
Amounts written off during the year.....	(30.91)	(46.19)
Balance as at end of the year	9.38	33.20

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

(c) Credit risk related to financial services business

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

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

Retail Loans

Rupees crores

Particulars	2019	2018
<i>Gross carrying value of Retail and SME loan assets</i>		
Neither Past due nor impaired.....	51,590.11	40,205.26
Past due but not impaired		
1 month past due.....	5,213.29	4,650.29
2-3 months past due.....	6,805.69	6,553.76
Impaired (above 3 months).....	5,057.24	5,430.50
Total Gross carrying value as at reporting date	68,666.33	56,839.81

Trade Advances

Rupees crores

Particulars	2019	2018
<i>Gross carrying amount of trade advances</i>		
Less than 2 months past due.....	1787.78	1379.61
2-3 months past due.....	31.34	20.58
Impaired (above 3 months).....	55.19	37.08
Total Gross carrying value as at reporting date	1,874.31	1,437.27

33. Financial Instruments (contd.):

(c) Credit risk related to financial services business (contd.)

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 retail loans.
- "Probability of default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD is 100%. This is calculated as an average of the last 60 months yearly average.

Estimation Technique

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

- Probability of default 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 significant change in estimation techniques or significant assumptions during the reporting period.

Forward Looking Information

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

Assessment of significant increase in credit risk

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

Definition of default

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

Policy for write off of Loan Assets

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

33. Financial Instruments (contd.):

(c) Credit risk related to financial services business (contd.)
Impairment loss

The expected credit loss allowance provision is determined as follows:

Rupees crores

Particulars	Performing Loans - 12 month ECL	Underperforming loans - 'lifetime ECL not credit impaired'	Impaired loans - 'lifetime ECL credit impaired'	Total
Gross Balance as at 31 st March, 2019	56,803.40	6,805.69	5,057.24	68,666.33
Expected credit loss rate	0.99%	9.96%	17.99%	
Carrying amount as at 31 st March, 2019 (net of impairment provision)	56,240.84	6,128.16	4,147.64	66,516.64
Gross Balance as at 31 st March, 2018	44,855.55	6,553.76	5,430.50	56,839.81
Expected credit loss rate	1.22%	11.94%	35.35%	
Carrying amount as at 31 st March, 2018 (net of impairment provision)	44,295.02	5,716.13	3,543.67	53,554.82

Level of Assessment - Aggregation Criteria

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

Reconciliation of loss allowance provision for Retail and SME loans

Rupees crores

Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1 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 period	(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	658.64	546.97
Balance at 31 March 2018	560.53	837.63	1,886.83	3,284.99

Rupees crores

Particulars	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Balance as at 1 April 2018	560.53	837.63	1,886.83	3,284.99
— Transferred to/from 12 months ECL	325.77	(186.68)	(139.09)	—
— Transferred to/from lifetime ECL not credit impaired	(50.03)	140.29	(90.26)	—
— Transferred to/from lifetime ECL credit impaired	(17.84)	(122.96)	140.80	—
Loans that have been derecognised during the year	(67.64)	(124.80)	(565.74)	(758.18)
New loans originated during the year	321.60	121.69	160.97	604.26
Write-offs	(0.02)	(2.34)	(907.70)	(910.06)
Net remeasurement of loss allowance	(509.81)	14.70	423.79	(71.32)
Balance at 31 March 2019	562.56	677.53	909.60	2,149.69

33. Financial Instruments (contd.):
(c) Credit risk related to financial services business (contd.)
Trade advances

	<i>Rupees crores</i>	
	2019	2018
Loss allowance provision	65.64	37.72

Impairment loss on financial services receivable for the year ended 31st March, 2019 recognised in profit or loss **Rs. 66.20 crores** includes bad debt written off **Rs. 1170.79 crores**, changes in provision for expected credit loss of **Rs. (1107.38) crores** and changes in provision for loan commitments **Rs. 2.79 crores**.

'12 months ECL' and 'lifetime ECL not credit impaired' are collectively assessed. 'Lifetime ECL credit impaired' are individually assessed. Loan which are written off continue to be subject of enforcement activity.

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

The financial services business mostly provides loans to retail individual customers in Rural and Semi urban area which are of small ticket size. Change in any single customer repayment will not impact significantly to 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:

	<i>Rupees crores</i>	
	2019	2018
Carrying Value	68,666.33	56,839.81
Concentration by Geographical region in India:		
North	26,667.79	19,242.97
East	9,088.05	6,888.90
West	18,062.15	18,639.79
South	14,848.34	12,068.15
Total Loans as at reporting period	68,666.33	56,839.81

Maximum Exposure to credit Risk

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

Narrative Description of Collateral

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

Quantitative Information of Collateral - Credit Impaired assets

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

	<i>Rupees crores</i>	
Loan To Value (LTV) Range	Gross Value of loans in stage 3	
	2019	2018
Upto 50% coverage.....	1,618.44	2,776.13
51 - 70% coverage.....	1,296.94	1,405.01
71 - 100% coverage.....	1,415.91	856.71
Above 100% coverage	725.95	392.65
Total	5,057.24	5,430.50

33. Financial Instruments (contd.):

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, 2019				
Short term borrowings - Principal	10,541.01	—	—	—
Short term borrowings - Interest	245.17	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal	16,781.12	30,091.01	5,879.11	7,682.31
Long term borrowings (including Current maturities of long term debt) - Interest	4,025.44	5,280.83	2,004.38	4,219.33
Trade payables	20,992.17	7.93	—	—
Financial Guarantees	440.41	—	—	—
Other Financial Liabilities.....	2,509.39	182.10	5.68	156.15
Total	55,534.71	35,561.87	7,889.17	12,057.79
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 Guarantees	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

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

33. Financial Instruments (contd.):
(b) Derivative financial instruments - Payables

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

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31st March, 2019			
Interest rate swaps	3.88	61.29	—
Foreign exchange forward contracts	11.34	73.47	—
Commodity futures	0.94	—	—
Put liability on derivatives on subsidiaries	308.67	495.74	93.66
Total	324.83	630.50	93.66
As at 31st March, 2018			
Interest rate swaps	28.33	14.44	3.80
Foreign exchange forward contracts	23.15	6.24	—
Commodity futures	1.01	—	—
Put liability on derivatives on subsidiaries	159.91	618.98	92.30
Total	212.41	639.66	96.09

4. Sensitivity Analysis
(a) Foreign Currency Sensitivity

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

Rupees crores

Particulars	Currency	Change in rate	Effect on profit before tax
Year ended 31st March, 2019	KRW/USD	+10%	8.68
	KRW/JPY	+10%	(69.54)
	INR/EUR	+10%	3.99
Year ended 31st March, 2018	KRW/USD	+10%	13.38
	KRW/JPY	+10%	(49.44)
	INR/EUR	+10%	(2.94)

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, 2019	INR	+50 bps	(74.85)	—
	EUR	+25 bps	(1.72)	2.29
Year ended 31st March, 2018	INR	+50 bps	(56.66)	—
	EUR	+25 bps	(2.47)	3.56

33. Financial Instruments (contd.):

5. Fair Value Disclosures

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

Rupees crores

Particulars	Financial assets/ financial liabilities	Category	Fair Value		Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable inputs(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
			2019	2018					
1) Foreign currency forwards, interest rate swaps & commodity derivatives	Financial Assets / (Liabilities)	Financial Instruments measured at FVTPL / FVTOCI	(4.59)	(33.93)	Level 2	Discounted Cash Flow and Interest rate	Future cash flows are estimated based on forward exchange rates (from observable forward 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	(54.52)	(21.95)	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	200.43	175.86	Level 3	Comparable Companies Method / Discounted Cash-flow / Price of recent transactions / Comparable Companies quoted multiples	For Comparable Companies Method / Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, profit & loss account along with underlying assumptions.	Interest rates to discount future 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) Written put option on interest over Subsidiaries, associates	Financial Liabilities	Financial Instruments measured at FVTPL	(869.13)	(826.27)	Level 3	Comparable Companies Method / Discounted Cash-flow / Price of recent transactions / Comparable Companies quoted multiples	For Comparable Companies Method / Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, profit & loss account along with underlying assumptions.	Interest rates to discount future 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.
5) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instrument measured at FVTPL	3,553.95	3,565.68	Level 1	Net asset value	—	—	—
6) Investment in equity instruments -Quoted	Financial Assets	Financial instrument designated at FVTOCI	237.32	6.90	Level 1	Quoted bid price in active market	—	—	—
7) Investment in equity instruments- Unquoted	Financial Assets	Financial instrument designated at FVTOCI	58.55	63.19	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	Terminal growth rate, weighted average cost of capital. Market multiples used for benchmarking.	Increase or decrease in multiple will result in increase or decrease in valuation
	Financial Assets	Financial instrument measured at FVTPL	14.01	8.63	Level 3	Income Approach - Discounted Cash Flow	For Market Multiple approach - In this approach fair value is derived based on market multiples like PE multiple, Enterprise value (EV) multiple, Revenue Multiple etc.	—	—

33. Financial Instruments (contd.):

5. Fair Value Disclosures (contd.)

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

Particulars	Financial assets/ financial liabilities	Category	Fair Value		Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
			2019	2018					
8) Investment in debt instruments - Debentures/Bonds, etc	Financial Assets	Financial instrument measured at FVTOCI	56.22	147.13	Level 1	Quoted market price	—	—	—
	Financial Assets	Financial instrument measured at FVTPL	104.32	105.67	Level 1	Quoted market price	—	—	—
9) Investment in Other financial instruments -CP, CD	Financial Assets	Financial instrument measured at FVTOCI	600.16	735.23	Level 1	Market price	—	—	—
10) Investment in Other financial instruments -CP, CD	Financial Assets	Financial instrument measured at FVTPL	1,059.80	—	Level 1	Market price	—	—	—

33. Financial Instruments (contd.):

5. Fair Value Disclosures (contd.)

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

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

Rupees crores

Particulars	Unquoted Equity investment	Derivatives on interest over Subsidiaries, associates and joint ventures (Net)	Written put option on interest over Subsidiaries
Year Ended 31st March, 2019			
Opening balance	71.82	175.86	(826.27)
Total gains or losses recognised:			
a) in profit / (loss)	0.03	24.57	199.08
b) in other comprehensive income	(7.24)	—	—
Purchase during the year	5.38	—	—
Addition during the year	—	—	(279.48)
Exercise of put option	—	—	37.54
Exchange differences	2.57	—	—
Closing balance	72.56	200.43	(869.13)
Year Ended 31st March, 2018			
Opening balance	56.91	185.22	(679.34)
Total gains or losses recognised:			
a) in profit / (loss)	0.03	(8.53)	(138.48)
b) in other comprehensive income	(6.84)	—	—
Acquisitions during the year	30.28	(0.83)	(22.75)
Exercise of put option	—	—	14.30
Transfers out of Level 3	(8.56)	—	—
Closing balance	71.82	175.86	(826.27)

Equity Investments designated at FVTOCI

Rupees crores

Particulars	2019	2018
Investment in quoted and unquoted equity instruments		
Fair Value of Investments	295.87	70.09

(b) Financial Instruments measured at amortised cost

Rupees crores

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
As at 31st March, 2019					
Financial assets					
a) Investments.....	1,792.83	1,825.85	793.01	1,032.84	—
b) Trade Receivables.....	9,905.03	9,905.03	—	9,905.03	—
c) Financial Services Receivable.....	68,325.31	67,918.17	—	—	67,918.17
d) Security Deposit.....	484.02	484.02	—	484.02	—
e) Other Loans.....	1,606.00	1,606.00	—	1,591.41	14.59
f) Fixed Deposit.....	138.58	138.58	—	138.58	—
Total	82,251.77	81,877.65	793.01	13,151.88	67,932.76
Financial liabilities					
a) Non-Current Borrowing.....	43,526.17	43,615.65	18,113.61	25,502.04	—
b) Trade Payable.....	21,000.10	21,000.10	—	21,000.10	—
c) Short Term Borrowings.....	10,541.01	10,541.01	—	10,541.01	—
d) Other Financial Liabilities.....	21,602.90	21,602.90	7,490.08	13,806.86	305.96
Total	96,670.18	96,759.66	25,603.69	70,850.01	305.96

33. Financial Instruments (contd.):
5. Fair Value Disclosures (contd.)
(b) Financial Instruments measured at amortised cost (contd.)

Rupees crores

Particulars	Carrying Value	Fair value	Fair value		
			Level 1	Level 2	Level 3
As at 31st 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 Receivable.....	54,954.37	55,338.12	—	—	55,338.12
d) Security Deposit.....	448.30	448.30	—	448.30	—
e) Other Loans.....	2,169.49	2,152.46	—	2,004.61	147.85
f) Fixed Deposit.....	86.04	86.04	—	86.04	—
Total	68,625.59	69,054.38	910.64	12,655.14	55,488.60
Financial liabilities					
a) Non-Current Borrowing.....	33,809.18	34,505.72	15,320.55	19,185.17	—
b) Trade Payable.....	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

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 Changes in Ownership
Disposal / Dilution of investments in associates and joint ventures
Mahindra CIE Automotive Limited (MCIE)

During the year ended March 31, 2019, the Group sold **2,19,26,895** shares representing **5.79%** of share capital of Mahindra CIE Automotive Limited (MCIE), for an aggregate consideration amounting to **Rs. 562.14 crores**.

Mahindra Sanyo Special Steel Private Limited (MSSSPL)

During the year ended March 31, 2019, the Group sold **26,36,401** shares representing **22%** of share capital of Mahindra Sanyo Special Steel Private Limited (MSSSPL), for an aggregate consideration amounting to **Rs. 146.32 crores**.

Brainbees Solutions Private Limited (Brainbees)

During the year ended March 31, 2019, due to capital infusion by other investors in Brainbees, the Group's interest in Brainbees has reduced from **26.76%** to **20.20%**.

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

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2019	2018	2019	2018
Mahindra Vehicle Manufacturers Limited	India	100.00%	100.00%		
Mahindra Heavy Engines Limited	India	100.00%	100.00%		
Mahindra Electric Mobility Limited	India	99.45%	99.13%		
Mahindra Trucks and Buses Limited.....	India	100.00%	100.00%		
Mahindra Automobile Distributor Private Limited.....	India	100.00%	100.00%		
NBS International Limited	India	100.00%	100.00%		
Mahindra Automotive Australia Pty. Limited.....	Australia	100.00%	100.00%		
Ssangyong Motor Company.....	South Korea	74.65%	72.46%		
Ssangyong Motor (Shanghai) Company Limited.....	China	74.65%	72.46%	100.00%	100.00%
Ssangyong European Parts Center B.V.....	Netherlands	74.65%	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 Ltd.....	Nigeria	100.00%	100.00%		
Gromax Agri Equipment Limited	India	60.00%	60.00%		
Auto Digitech Private Limited	India	100.00%	100.00%		
Kota Farm Services Limited.....	India	47.81%	47.81%	51.02%	51.02%
Trringo.com Limited.....	India	100.00%	100.00%		
Mahindra USA Inc.....	U.S.A.	100.00%	100.00%		
Mitsubishi Mahindra Agricultural Machinery Co., Ltd **	Japan	66.67%	66.67%		
Mitsubishi Noki Hanbai co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Factory co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Engineering co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Daiya Computer Services co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Ryono Asset Management co., Ltd.	Japan	66.67%	66.67%	100.00%	100.00%
Mahindra Mexico S. de. R. L.....	Mexico	100.00%	100.00%		
Mahindra do Brasil Industrial Ltda	Brazil	100.00%	100.00%		
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi	Turkey	86.80%	77.18%		
Hisarlar İthalat İhracat Pazarlama Anonim Şirketi	Turkey	86.80%	77.18%	100.00%	100.00%
Mahindra & Mahindra Financial Services Limited.....	India	51.43%	51.46%		
Mahindra Insurance Brokers Limited	India	41.14%	41.17%	80.00%	80.00%
Mahindra Rural Housing Finance Limited	India	46.24%	45.80%	89.91%	89.00%
Mahindra Asset Management Company Private Limited.....	India	51.43%	51.46%	100.00%	100.00%
Mahindra Trustee Company Private Limited.....	India	51.43%	51.46%	100.00%	100.00%
Mahindra Lifespace Developers Limited.....	India	51.49%	51.51%		
Mahindra Infrastructure Developers Limited	India	51.49%	51.51%	100.00%	100.00%
Mahindra World City (Maharashtra) Limited	India	51.49%	51.51%	100.00%	100.00%
Mahindra Integrated Township Limited.....	India	37.77%	37.79%	73.36%	73.36%
Knowledge Township Limited	India	51.49%	51.51%	100.00%	100.00%
Mahindra Residential Developers Limited	India	37.77%	37.79%	100.00%	100.00%

35. Disclosure of Interest in Subsidiaries and Interest of Non Controlling Interest (contd.):

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2019	2018	2019	2018
Industrial Township (Maharashtra) Limited.....	India	51.49%	51.51%	100.00%	100.00%
Anthurium Developers Limited	India	51.49%	51.51%	100.00%	100.00%
Mahindra Water Utilities Limited	India	50.97%	51.00%	99.00%	99.00%
Rathna Bhoomi Enterprises Private Limited	India	51.49%	51.51%	100.00%	100.00%
Deep Mangal Developers Private Limited	India	51.49%	51.51%	100.00%	100.00%
Moonshine Construction Private Limited	India	51.49%	51.51%	100.00%	100.00%
Mahindra Consulting Engineers Limited	India	88.35%	84.78%		
Mahindra Holidays & Resorts India Limited	India	67.64%	67.71%		
Mahindra Hotels and Residences India Limited	India	67.64%	67.71%	100.00%	100.00%
Gables Promoters Private Limited	India	67.64%	67.71%	100.00%	100.00%
Heritage Bird (M) Sdn. Bhd.....	Malaysia	67.64%	67.71%	100.00%	100.00%
Infinity Hospitality Group Company Limited	Thailand	50.04%	50.09%	100.00%	100.00%
MH Boutique Hospitality Limited @.....	Thailand	33.14%	33.18%	49.00%	49.00%
MHR Holdings (Mauritius) Limited.....	Mauritius	67.64%	67.71%	100.00%	100.00%
Covington S.a.r.l	Luxembourg	67.64%	67.71%	100.00%	100.00%
HCR Management Oy.....	Finland	67.64%	67.71%	100.00%	100.00%
Holiday Club Resort Oy	Finland	65.25%	64.43%	96.47%	95.16%
Kiinteistö Oy Himos Gardens.....	Finland	65.25%	64.43%	100.00%	100.00%
Suomen Vapaa-aikakiinteistöt Oy LKV	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Himoksen Tähti 2 (up to 15 th May, 2018)	Finland	—	64.43%	—	100.00%
Kiinteistö Oy Vanha Ykköstii	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Katinnurkka.....	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Tenetinlahti	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Mällönsiemi	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Rauhan Ranta 1	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Rauhan Ranta 2	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Tiurunniemi	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Rauhan Liikekiinteistöt 1	Finland	65.25%	64.43%	100.00%	100.00%
Supermarket Capri Oy	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Kylpyläntorni 1	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Spa Lofts 2	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Spa Lofts 3.....	Finland	65.25%	64.43%	100.00%	100.00%
Kiinteistö Oy Kuusamon Pulkajärvi 1	Finland	65.25%	64.43%	100.00%	100.00%
Ownership Services Sweden Ab.....	Sweden	65.25%	64.43%	100.00%	100.00%
Are Villas 1 AB	Sweden	65.25%	64.43%	100.00%	100.00%
Are Villas 2 AB	Sweden	65.25%	64.43%	100.00%	100.00%
Are Villas 3 Ab	Sweden	65.25%	64.43%	100.00%	100.00%
Holiday Club Sweden Ab Åre	Sweden	65.25%	64.43%	100.00%	100.00%
Holiday Club Sport and Spahotels AB.....	Sweden	33.28%	32.86%	51.00%	51.00%
Holiday Club Rus LLC.....	Russia	65.25%	64.43%	100.00%	100.00%

35. Disclosure of Interest in Subsidiaries and Interest of Non Controlling Interest (contd.):

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2019	2018	2019	2018
Holiday Club Canarias Investments S.L.	Spain	65.25%	64.43%	100.00%	100.00%
Holiday Club Canarias Sales & Marketing S.L.	Spain	65.25%	64.43%	100.00%	100.00%
Holiday Club Canarias Resort Management S.L.	Spain	65.25%	64.43%	100.00%	100.00%
Arabian Dreams Hotel Apartments LLC @	U.A.E	33.14%	33.18%	49.00%	49.00%
Mahindra Two Wheelers Limited	India	92.88%	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%		
Automobili Pininfarina GmbH (w.e.f. 7 th May, 2018) (Formerly known as Blitz 18-371 GmbH)	Germany	100.00%			
Mahindra Susten Bangladesh Private Limited (w.e.f. 19 th April, 2018)	Bangladesh	100.00%			
SsangYong Australia Pty Limited (w.e.f. 31 st July, 2018)	Australia	74.65%		100.00%	
Mahindra Automotive Mauritius Limited (w.e.f. 06 th November, 2018)	Mauritius	100.00%			
Mahindra Summit Agriscience Limited (w.e.f. 09 th October, 2018)	India	98.40%		100.00%	
PT Mahindra Accelo Steel Indonesia (w.e.f. 19 th December, 2018)	Indonesia	99.96%			
MRHFL Employee Welfare trust (ESOP)	India	46.24%		100.00%	
MSPE Urja s.r.l. (w.e.f. 29 th March, 2019)	Italy	100.00%			
Automobili Pininfarina Americas Inc. (w.e.f. 15 th January, 2019) (Formerly known as Harkey Acquisition, L.L.C.).....	USA	100.00%			
Mahindra EPC Irrigation Limited (Formerly known as EPC Industrie Limited).....	India	54.58%	54.65%		
Mahindra HZPC Private Limited	India	58.99%	58.99%	59.95%	59.95%
Mahindra Greenyard Private Limited.....	India	59.04%	59.04%	60.00%	60.00%
OFD Holding BV.....	Netherlands	81.77%	83.09%	83.09%	
Origin Direct Asia Ltd.....	Hong Kong	49.06%	83.09%	60.00%	100.00%
Origin Fruit Direct B.V.	Netherlands	81.77%	83.09%	100.00%	100.00%
Origin Fruit Services South America SpA.....	Chile	81.77%	83.09%	100.00%	100.00%
Origin Direct Asia (Shanghai) Trading Co. Ltd.....	China	81.77%	83.09%	100.00%	100.00%
Bristlecone Limited	Cayman Islands	75.17%	75.29%		
Bristlecone Consulting Limited.....	Canada	75.17%	75.29%	100.00%	100.00%
Bristlecone (Malaysia) Sdn. Bhd.....	Malaysia	75.17%	75.29%	100.00%	100.00%
Bristlecone International AG	Switzerland	75.17%	75.29%	100.00%	100.00%
Bristlecone UK Limited	U.K.	75.17%	75.29%	100.00%	100.00%
Bristlecone Inc.	U.S.A.	75.17%	75.29%	100.00%	100.00%
Bristlecone Middle East DMCC	U.A.E.	75.17%	75.29%	100.00%	100.00%
Bristlecone India Limited.....	India	75.17%	75.29%	100.00%	100.00%
Bristlecone GmbH	Germany	75.17%	75.29%	100.00%	100.00%
Bristlecone (Singapore) Pte. Limited	Singapore	75.17%	75.29%	100.00%	100.00%

35. Disclosure of Interest in Subsidiaries and Interest of Non Controlling Interest (contd.):

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2019	2018	2019	2018
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%		
PMTC Engineering SpA (Formerly known as Mahindra Racing S.p.A.).....	Italy	51.00%	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	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 (Formerly known as Mahindra Retail Private Limited).....	India	100.00%	100.00%		
Mahindra Defence Naval Systems Limited	India	100.00%	100.00%		
Mahindra Defence Systems Limited	India	100.00%	100.00%		
Mahindra First Choice Wheels Limited	India	51.00%	51.06%		
Mahindra First Choice Services Limited	India	100.00%	100.00%		
Mahindra Namaste Limited	India	88.35%	84.78%	100.00%	100.00%
Mahindra Integrated Business Solutions Private Limited.....	India	100.00%	100.00%		
Mahindra 'Electoral Trust' Company.....	India	100.00%	100.00%		
Mahindra eMarket Limited.....	India	83.47%	83.47%	100.00%	100.00%
Orizonte Business Solutions Limited	India	92.24%	92.25%	98.66%	98.66%
Mahindra Construction Company Limited.....	India	65.39%	65.40%	91.66%	91.66%
Officemartindia.com Limited.....	India	50.00%	50.00%		
Mahindra & Mahindra Contech Limited @.....	India	46.66%	46.66%		
Mumbai Mantra Media Limited	India	100.00%	100.00%		
Mahindra Airways Limited.....	India	100.00%	100.00%		
Mahindra Marine Private Limited	India	81.58%	81.58%		
Mahindra MSTC Recycling Private Limited.....	India	50.00%	50.00%		
Mahindra & Mahindra Financial Services Limited ESOP Trust	India	51.43%	51.46%	100.00%	100.00%
Mahindra Holidays & Resorts India Limited ESOP Trust.....	India	67.64%	67.71%	100.00%	100.00%
M&M Benefit Trust	India	100.00%	100.00%		
Mahindra & Mahindra ESOP Trust	India	100.00%	100.00%		
Sunrise Initiatives Trust.....	India	100.00%	100.00%		

35. Disclosure of Interest in Subsidiaries and Interest of Non Controlling Interest (contd.):

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

Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of ownership interest *		Proportion of voting power where different	
		As at 31 st March,		As at 31 st March,	
		2019	2018	2019	2018
Mahindra First Choice Wheels Limited ESOP Trust.....	India	51.00%	51.06%	100.00%	100.00%
Mahindra Consulting Engineers Limited ESOP Trust.....	India	88.35%	84.78%	100.00%	100.00%
Mahindra Waste To Energy Solutions Limited.....	India	100.00%	100.00%		
Mahindra Telecom Energy Management Services Limited	India	100.00%	100.00%		
Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V ...	Netherlands	98.40%	98.40%	100.00%	100.00%
Mahindra Automotive North America Inc.	USA	100.00%	100.00%		
Mahindra Vehicle Sales and Service Inc.....	USA	100.00%	100.00%		
Mahindra North American Technical Center, Inc.	USA	100.00%	100.00%		
Erkunt Traktor Sanayii A.S (Tractor)	Turkey	100.00%	100.00%		
Erkunt Sanayi A.S. - (Foundry)	Turkey	98.69%	98.69%		
Mahindra Logistics Limited	India	58.52%	58.77%		
Lords Freight (India) Private Limited.....	India	48.53%	35.26%	82.92%	60.00%
2 x 2 Logistics Private Limited	India	32.19%	32.33%	55.00%	55.00%
Holiday Club Canarias Vacation Club SLU (formerly Passeport Sante SL) (w.e.f. 18 th December, 2018)	Spain	65.25%		100.00%	
New Democratic Electoral Trust @	India	27.24%		46.64%	
Mahindra Armored Vehicles Jordan, LLC (w.e.f. 31 st March, 2019).....	Jordan	88.00%		100.00%	
Mahindra Bloomdale Developers Limited (w.e.f. 28 th May, 2018) (Formerly known as Mahindra Bebanco Developers Limited)	India	51.49%		100.00%	
Mahindra Emirates Vehicle Armouring FZ-LLC	U.A.E.	88.00%	88.00%		

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

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

** In addition to JPY750 million Common Stock (which represents 33.33% of the Common stock),the Company owns the entire JPY2250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.

35. Disclosure of Interest in Subsidiaries and Interest of Non Controlling Interest (contd.):
(b) Details of Non-Wholly Owned Subsidiaries that have material Non Controlling Interest
Rupees crores

Sr. No.	Name of the Subsidiary	Place of Incorporation and Place of Operation	Proportion of Ownership Interest and voting rights held by non controlling interests		Profit / (Loss) allocated to non controlling interest		Accumulated non Controlling Interest	
			2019	2018	2019	2018	2019	2018
1	Mahindra & Mahindra Financial Services Limited.....	India	48.57%	48.54%	734.06	526.35	5,298.03	4,681.61
2	Ssangyong Motor Company.....	South Korea	25.35%	27.54%	(92.67)	(144.93)	1,102.69	1,243.23
3	Individually Immaterial Non Controlling Interest.....				60.00	65.99	1,959.85	2,325.63
	Total				701.39	447.40	8,360.57	8,250.47

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	
	2019	2018	2019	2018
Current Assets	29,954.30	23,902.08	4,812.76	3,704.02
Non Current Assets	37,123.69	28,941.40	10,133.64	9,664.30
Current Liabilities.....	22,212.24	18,238.24	7,182.06	6,004.40
Non Current Liabilities	33,957.72	24,960.39	3,414.46	2,849.65
Equity Interest Attributable to the owners.....	5,610.00	4,963.24	3,247.18	3,271.03
Non Controlling Interest	5,298.03	4,681.61	1,102.69	1,243.23
Revenue	8,921.73	7,177.96	24,184.44	20,410.44
Expenses.....	7,389.95	6,157.92	24,529.88	20,908.87
Profit / (Loss) for the year.....	1,531.78	1,020.04	(345.44)	(498.43)
Profit / (Loss) attributable to the owners of the company.....	797.72	493.70	(252.77)	(353.50)
Profit / (Loss) attributable to the Non-Controlling Interest.....	734.06	526.35	(92.67)	(144.93)
Dividends paid to non controlling interest	119.33	65.73	—	—
Opening Cash & Cash Equivalents.....	271.90	411.45	1,134.69	1,057.41
Closing Cash & Cash Equivalents	501.68	271.90	2,142.88	1,134.69
Net Cash inflow / (outflow)	229.78	(139.55)	1,008.19	77.28

36. Investment in Joint Arrangements and Associates**Interests in Joint Ventures :**

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

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		As at 31 st March,	
		2019	2018
Mahindra World City (Jaipur) Limited #	India	74.00%	74.00%
Mahindra Bebanco Developers Limited #	India	—	70.00%
Mahindra World City Developers Limited #	India	89.00%	89.00%
Mahindra Industrial Park Chennai Ltd #	India	60.00%	60.00%
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	22.81%	51.00%
Mahindra Aerospace Private Limited #	India	88.87%	86.27%
Mahindra Tsubaki Conveyor Systems Private Limited	India	49.00%	49.00%
Mahindra Telephonics Integrated Systems Limited #	India	51.00%	51.00%
Brightsolar Renewable Energy Private Limited #	India	51.00%	51.00%
Jinan Qingqi Peugeot Motorcycles Co Ltd	China	50.00%	50.00%
Mahindra-BT Investment Company (Mauritius) Limited #	Mauritius	57.00%	57.00%
SY Auto Capital Co., LTD #	South Korea	51.00%	51.00%
Mahindra Industrial Park Private Limited (Formerly known as Industrial Cluster Private Limited)**	India	100.00%	100.00%
Classic Legend Private Limited #	India	60.00%	60.00%
Mahindra Happinest Developers Limited #	India	51.00%	51.00%
M.I.T.R.A Agro Equipments Private Limited	India	27.06%	27.06%
Resfeber Labs Private Limited	India	25.05%	25.05%
Carnot Technologies Private Limited	India	23.66%	23.66%
Tropiikin Rantasauna Oy	Finland	48.23%	47.58%
Sampo Rosenlew Oy (w.e.f. 17 th December, 2018) ^	Finland	48.98%	
Mahindra Ideal Lanka (Private) Limited (w.e.f. 31 st May, 2018)	Srilanka	35.00%	
Zoomcar Inc.	USA	17.03%	11.19%
Transtech Logistics Private Limited (w.e.f. 5 th October 2018)	India	39.79%	
Mahindra Top Greenhouse Pvt Ltd (w.e.f. 15 th May 2018) #	India	60.00%	

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

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

^ Status changed from associate to Joint Venture.

36. Investment in Joint Arrangements and Associates (contd.)
Interests in Associates :

The Group's interests in associates are :

Name of the Entity	Place of Incorporation and Place of Operation	Proportion of ownership interest	
		As at 31 st March,	
		2019	2018
Swaraj Engines Limited	India	33.30%	33.31%
Tech Mahindra Limited.....	India	28.90%	29.03%
Mahindra Finance USA LLC.....	USA	49.00%	49.00%
Mahindra CIE Automotive Limited #	India	11.44%	17.25%
CIE Automotive S.A. #	Spain	7.44%	7.44%
PSL Media & Communications Limited	India	40.00%	40.00%
The East India Company Group Ltd BVI #	UK	18.62%	18.62%
Kiinteistö Oy Sallan Kylpylä.....	Finland	46.63%	46.63%
Kiinteistö Oy Seniori-Saimaa.....	Finland	29.50%	29.50%
Shiga Mitsubishi Co, Ltd.....	Japan	22.40%	22.40%
Kagawa Mitsubishi Co, Ltd.	Japan	33.33%	33.33%
Okanetsu Kogyo Co, Ltd.	Japan	33.77%	33.77%
Kita-Iwate Ryono Co, Ltd.	Japan	25.00%	25.00%
Aizu Ryono Co, Ltd.....	Japan	21.25%	21.25%
Jyoban Ryono Co, Ltd.	Japan	20.00%	20.00%
Fukuryo Kiki Hanbai Co, Ltd.	Japan	20.00%	20.00%
Ibaraki Ryono Co, Ltd.	Japan	21.64%	21.64%
Kotobuki Noki Co, Ltd.	Japan	33.33%	33.33%
Honda Seisakusho Co, Ltd.	Japan	25.00%	25.00%
Yamaichi Honten KK Co, Ltd.	Japan	42.86%	42.90%
Hokkaido Mitsubishi Noki Partnership	Japan	30.35%	27.90%
Tohoku Mitsubishi Noki Partnership	Japan	28.28%	28.28%
Tobu Mitsubishi Noki Partnership	Japan	42.92%	41.15%
Chubu Mitsubishi Noki Partnership.....	Japan	55.59%	55.59%
Seibu Mitsubishi Noki Partnership	Japan	34.95%	37.47%
Kyushu Mitsubishi Noki Partnership	Japan	24.84%	24.84%
P.F. holding BV.....	Netherlands	40.00%	40.00%
Merakisan Private Limited	India	33.17%	33.17%
Brainbees Solutions Private Limited.....	India	20.20%	26.76%
Medwell Ventures Private Limited	India	30.60%	0.06%
HDG-Asia Ltd.....	Netherlands	50.00%	50.00%
Scoot Networks Inc.....	USA	45.71%	49.14%
Sampo Rosenlew Oy (upto 16 December, 2018)^.....	Finland	—	35.00%
Resson Aerospace Corporation (w.e.f. 8 th May, 2018) #.....	Canada	10.60%	
Kumsan Dokum Mazelmeri A.S.	Turkey	25.10%	25.10%
Mahindra Knowledge Park Mohali Limited (w.e.f. 7 th May, 2018).....	India	46.15%	

* including participating preference shares

 The financial statements of the Associates are drawn upto 31st March, 2019, other than for CIE Automotive, S.A, Mahindra CIE Automotive Limited & The East India Company Group Ltd where it is upto 31st December, 2018.

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.

^ Status changed from associate to Joint Venture.

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

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

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

Particulars	Tech Mahindra Limited - Consolidated	
	2019	2018
Current assets		
Cash and cash equivalents	2,042.70	1,966.06
Other assets	19,523.07	16,140.94
Total current assets	21,565.77	18,107.00
Total Non-current assets	11,881.08	12,330.24
Current liabilities		
Financial liabilities	7,158.00	4,998.01
Other Liabilities	4,403.60	4,149.09
Total current liabilities	11,561.60	9,147.10
Total Non-current liabilities	1,123.20	1,938.25
Non-controlling interest	477.70	509.05
Revenue from Operations	34,742.13	30,772.93
Interest Income	207.70	145.50
Depreciation and amortisation	1,129.20	1,084.98
Interest Cost	133.20	162.38
Income tax expense	1,254.40	1,092.64
Profit / (Loss) for the year	4,288.83	3,786.22
Other Comprehensive Income for the year	242.60	(218.99)
Total Other Comprehensive Income for the year	4,531.43	3,567.24

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

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

Particulars	Tech Mahindra Limited - Consolidated	
	2019	2018
Closing Net assets	20,284.35	18,842.82
Group share in %	28.90%	29.03%
Group share	5,862.18	5,470.07
Goodwill	496.31	496.31
Other Adjustments	516.71	—
Carrying amount	6,875.20	5,966.38
Market Value	19,898.00	16,356.35

37. Related Party Disclosures

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

(i) Associates :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Tech Mahindra Limited	19.	The East India Company Group Ltd BVI
2.	Mahindra CIE Automotive Limited	20.	Merakisan Private Limited
3.	CIE Automotive, S.A.	21.	Shiga Mitsubishi Nokihanbai co., Ltd.
4.	Swaraj Engines Limited	22.	Kagawa Mitsubishi Nokihanbai co., Ltd.
5.	Mahindra Finance USA, LLC	23.	Okanetsu Kogyo co., Ltd.
6.	PF Holdings B.V.	24.	Kitaiwate Ryono co., Ltd.
7.	Pininfarina S.p.A.	25.	Aizu Ryono co., Ltd.
8.	Satyam Venture Engineering Services Private Limited	26.	Joban Ryono co., Ltd.
9.	Tech Mahindra Foundation	27.	FukuryoKiki Hanbai co., Ltd.
10.	Tech Mahindra (Shanghai) Co. Limited	28.	Ibaragi Ryono co., Ltd.
11.	Brainbees Solutions Private Limited	29.	Kotobuki Noki co., Ltd
12.	HDG-Asia Ltd	30.	Honda Seisakusho co., Ltd.
13.	PSL Media & Communications Limited	31.	Yamaichi Honten co., Ltd.
14.	Kumsan Dokum Mazelmeri A.S.	32.	Hokkaido Mitsubishi Noki Partnership
15.	Sampo Rosenlew Oy Group (upto 16 th December, 2018)	33.	Tohoku Mitsubishi Noki Partnership
16.	Scoot Networks INC	34.	Tobu Mitsubishi Noki Partnership
17.	Medwell Ventures Private Limited	35.	Chubu Mitsubishi Noki Partnership
18.	Resson Aerospace Corporation (w.e.f. 8 th May, 2019)	36.	Seibu Mitsubishi Noki Partnership

(ii) Joint Ventures :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Classic Legends Private Limited	13.	Mahindra Bebanco Developers Limited (upto 27 th May, 2018)
2.	Mahindra Aerospace Private Limited	14.	Transtech Logistics Private Limited (w.e.f. 05 th October, 2018)
3.	Mahindra Sanyo Special Steel Private Limited	15.	Mahindra Industrial Park Private Limited (w.e.f. 21 st April, 2018)
4.	Mahindra World City (Jaipur) Limited	16.	Mahindra Industrial Park Chennai Ltd
5.	Mahindra World City Developers Limited	17.	Mahindra Telephonics Integrated Systems Limited
6.	Gippsaero Pty. Limited	18.	Mahindra Happinest Developers Limited
7.	Mahindra Aerostructures Private Limited	19.	Brightsolar Renewable Energy Limited
8.	Mahindra Tsubaki Conveyor Systems Private Limited	20.	Mahindra Inframan Water Utilities Pvt Ltd
9.	Mahindra Ideal Lanka (Private) Limited (w.e.f. 31 st May, 2018)	21.	Mahindra BT Investment Company (Mauritius) Limited
10.	Sampo-Rosenlew Oy (w.e.f. 17 th December, 2018)	22.	Zoomcar Inc
11.	M.I.T.R.A. Agro Equipments Private Limited	23.	Jinan Qingqi Peugeot Motocycles Co Ltd
12.	Mahindra Homes Pvt Ltd	24.	SY Auto Capital Co., LTD

(iii) Key Management Personnel (KMP) :

Sr. No.	Name of KMP	Designation
1.	Mr. Anand G. Mahindra	Executive Chairman
2.	Dr. Pawan Goenka	Managing Director
3.	Mr. Nadir B. Godrej	Independent Director
4.	Mr. R. K. Kulkarni	Independent Director
5.	Mr. M. M. Murugappan	Independent Director
6.	Dr. Vishakha N. Desai	Independent Director
7.	Mr. Vikram Singh Mehta	Independent Director
8.	Mr. Anupam Puri	Independent Director
9.	Mr. T. N. Manoharan	Independent Director
10.	Mr. Vijay Kumar Sharma (appointed as a Nominee Director representing LIC w.e.f. 14 th November, 2018)	Nominee Director
11.	Mr. S. B. Mainak (ceased to be a Nominee Director representing LIC w.e.f. 11 th May, 2018)	Nominee Director

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

Sr. No.	Close member of KMP
1.	Mrs. Anuradha Mahindra
2.	Mrs. Radhika Nath
3.	Mrs. Mamta Goenka
4.	Mr. Suresh Ram Kishore Goenka
5.	Mrs. Shakuntala Kulkarni
6.	Dr. T. N. Gajendran

37. Related Party Disclosures (contd.)

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

Sr. No.	Entities controlled/jointly controlled by KMP
1.	The Indian & Eastern Engineer Company Private Limited
2.	EPIC Television Network Private Limited
3.	Empire Products Limited

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

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

(vi) Welfare Funds:

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

(b) The related party transactions are as under :

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates / Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
1.	Purchases : Goods.....	2019	2,987.94	158.01	—	—	—	—
		2018	3,048.95	131.78	—	—	—	—
	Property, Plant and Equipment.....	2019	98.12	0.15	—	—	—	—
		2018	13.61	0.04	—	—	—	—
	Services.....	2019	469.13	4.83	—	—	—	—
		2018	202.23	1,002.54	—	0.18	—	—
2.	Sales : Goods.....	2019	633.59	11.98	—	—	—	—
		2018	1,049.30	55.50	—	—	—	—
	Property, Plant and Equipment.....	2019	—	0.08	—	—	—	—
		2018	0.23	—	—	—	—	—
	Services.....	2019	67.00	34.50	—	0.02	—	—
		2018	46.78	45.26	—	0.42	—	0.05
3.	Investments : Purchases/Subscribed/ Conversion.....	2019	30.15	249.19	—	—	—	—
		2018	173.40	501.06	—	—	—	—
	Sales/Redemption/Conversion..	2019	—	—	—	—	—	—
		2018	20.93	32.08	—	0.01	—	—

37. Related Party Disclosures (contd.)

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

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates / Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
4.	Management contracts including Deputation of personnel :							
	From Parties.....	2019	—	—	—	—	—	—
		2018	0.59	—	—	—	—	—
	To Parties	2019	4.81	2.21	—	—	—	—
		2018	3.83	2.09	—	—	—	—
5.	Write off of Receivables.....	2019	83.54	—	—	—	—	—
		2018	—	—	—	—	—	—
6.	Managerial remuneration	2019	—	—	18.35	—	—	—
		2018	—	—	16.73	—	—	—
7.	Stock options given by the Company	2019	—	—	2.51	—	—	—
		2018	—	—	3.51	—	—	—
8.	Commission and other benefits to Non-executive/independent directors (including nominee directors)	2019	—	—	3.29	—	—	—
		2018	—	—	3.73	—	—	—
9.	Finance :							
	Inter Corporate deposits given	2019	—	56.07	—	—	—	—
		2018	28.79	178.65	—	—	—	—
	Inter Corporate Deposits refunded by parties	2019	—	114.07	—	—	—	—
		2018	—	130.65	—	—	—	—
	Debenture issued by Related parties	2019	—	7.71	—	—	—	—
		2018	—	—	—	—	—	—
	Loan given	2019	—	—	—	—	—	—
		2018	—	—	4.50	—	—	—
	Inter Corporate deposits taken	2019	520.00	—	—	—	—	—
		2018	180.00	7.71	—	—	—	—
	Inter Corporate deposits refunded	2019	135.00	—	—	—	—	—
		2018	505.00	—	—	—	—	—
	Interest income	2019	0.34	29.26	0.49	—	—	—
		2018	0.66	59.27	0.44	—	—	—
	Interest expense	2019	30.69	—	—	—	—	—
		2018	15.03	1.39	—	—	—	—
	Dividend received.....	2019	427.14	17.46	—	—	—	—
		2018	298.75	6.66	—	—	—	—

37. Related Party Disclosures (contd.)

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

Rupees crores

Sl. No.	Nature of Transactions	For the Year Ended 31 st March	Associates / Associates of Subsidiaries/ Subsidiaries of Associate	Joint Ventures/ Joint Ventures of Subsidiaries	KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the Company	Welfare Funds
	Dividend received in kind	2019	239.99	—	—	—	—	—
		2018	—	—	—	—	—	—
	Dividend distributed	2019	—	—	2.25	0.60	106.14	3.05
		2018	—	—	2.06	0.57	91.99	2.64
10.	Guarantees & Collaterals Given (Transactions during the year)	2019	2.45	—	—	—	—	—
		2018	3.55	—	—	—	—	—
11.	Guarantees and Collaterals Taken (Transactions during the Year)	2019	0.24	—	—	—	—	—
		2018	0.40	—	—	—	—	—
12.	Other Transactions :							
	Other Income	2019	11.61	3.71	—	0.42	—	—
		2018	5.22	3.24	—	—	—	—
	Other Expenses	2019	5.85	152.05	—	0.19	—	—
		2018	196.03	81.54	—	—	—	2.00
	Reimbursements received from parties	2019	8.33	15.31	—	—	—	1.60
		2018	6.29	18.98	—	—	—	1.50
	Reimbursements made to parties	2019	6.68	1.59	—	—	—	—
		2018	4.26	2.19	—	—	—	—
13.	Outstandings :							
	Trade and Other payable	2019	571.88	7.57	4.46	—	—	—
		2018	922.49	6.38	4.12	—	—	—
	Trade and Other receivables ..	2019	71.92	22.45	10.69	1.90	—	17.00
		2018	112.10	182.98	10.61	1.90	—	17.00
	Debenture/Bonds issued by parties	2019	—	392.87	—	—	—	—
		2018	—	394.87	—	—	—	—
	Inter Corporate Deposits given	2019	30.69	—	—	—	—	—
		2018	29.14	77.11	—	—	—	—
	Inter Corporate Deposits taken	2019	510.00	—	—	—	—	—
		2018	125.00	7.71	—	—	—	—
14.	Security Deposit paid :	2019	0.02	—	—	—	—	—
		2018	0.02	0.32	—	—	—	—
15.	Advances given	2019	2.84	—	—	—	—	—
		2018	—	—	—	—	—	—
16.	Guarantee given outstanding...	2019	440.41	—	—	—	—	—
		2018	847.96	—	—	—	—	—

38. Segment Information

Operating Segments

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

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

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

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

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

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

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

The Chief Operating Decision Maker ("CODM") evaluates the 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	Others	Total	Eliminations	Consolidated Total
Revenue									
External Revenue	59,051.11	22,078.19	10,313.75	605.10	2,237.83	10,434.70	104,720.68	—	104,720.68
	52,707.66	21,633.90	8,599.23	570.67	2,316.63	7,436.68	93,264.77	—	93,264.77
Inter Segment Revenue	121.47	325.03	31.33	14.58	2.76	2,310.70	2,805.87	(2,805.87)	—
	85.14	354.49	21.43	18.38	0.27	1,472.00	1,951.71	(1,951.71)	—
Total Revenue	59,172.58	22,403.22	10,345.08	619.68	2,240.59	12,745.40	107,526.55	(2,805.87)	104,720.68
	52,792.80	21,988.39	8,620.66	589.05	2,316.90	8,908.68	95,216.48	(1,951.71)	93,264.77
Segment Result	2,141.06	2,381.57	2,703.04	36.81	96.84	(24.61)	7,334.71	(57.57)	7,277.14
	2,026.23	3,051.10	1,850.58	65.07	222.10	17.37	7,232.45	(45.30)	7,187.15
Share of profit/(loss) of equity accounted investees (net)									1,366.52
									1,107.26
Reconciliation to Profit/(Loss) before tax									
1. Unallocable corporate expenses, net of income									213.87
									(352.21)
2. Interest expenses not allocable to segments									(635.19)
									(577.20)
3. Interest income not allocable to segments									424.18
									332.40
4. Exceptional Items									224.32
									2,628.12
Profit before tax									8,870.84
									10,325.52
Out of total external revenue above:-									
- From contract with customers (as defined under Ind AS 115)									93,666.33
- From financial services									9,962.80
- Others									1,091.55
Total									104,720.68
Other information									
Depreciation and Amortisation expense	3,102.12	435.50	75.53	3.84	82.78	253.05	3,952.82	—	3,952.82
	2,511.95	362.96	55.21	4.32	99.99	210.72	3,245.15	—	3,245.15
Additions to non-current assets	4,812.14	734.51	135.62	6.13	182.21	1,421.17	7,291.78	—	7,291.78
	4,186.75	575.73	70.58	4.97	243.22	658.96	5,740.21	—	5,740.21

Notes:-

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

38. Segment Information (contd.) Segment assets and liabilities

Rupees crores

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Others	Total	Eliminations	Consolidated Total
Segment Assets	37,023.23	13,196.49	71,554.25	2,089.39	5,099.58	12,144.39	141,107.33	—	141,107.33
	32,339.99	11,505.78	57,335.64	1,846.79	3,898.02	11,230.50	118,156.72	—	118,156.72
Segment Liabilities	20,468.72	5,534.49	61,872.15	710.07	5,882.15	3,903.36	98,370.94	—	98,370.94
	17,616.54	5,690.75	47,838.50	280.55	2,883.62	2,965.70	77,275.66	—	77,275.66
<i>Reconciliation of segment assets to total assets:</i>									
Segment Assets									141,107.33
Unallocable Assets									22,284.24
									19,054.19
Total Assets									1,63,391.57
									1,37,210.91

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

<i>Reconciliation of segment liabilities to total liabilities:</i>									
Segment Liabilities									98,370.94
									77,275.66
Unallocable Liabilities									16,676.65
									14,909.59
Total Liabilities									115,047.59
									92,185.25

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	Year Ended 31 March,				As at 31 March,	
	2019			2018	2019	2018
	Revenue from contract with customers	Other revenue	Total external revenue	External revenue	Non-Current assets	Non-Current assets
India	57,228.69	10,548.18	67,776.87	59,920.82	25,913.99	22,364.35
Overseas	36,437.64	506.17	36,943.81	33,343.95	12,449.26	11,820.70
Total	93,666.33	11,054.35	1,04,720.68	93,264.77	38,363.25	34,185.05

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 2019 and 2018 respectively, revenues from transactions with a single external customer did not amount to 10 per cent or more of the Group's revenues from external customers.

39. Employee Stock Option Plan

The Company has allotted 55,24,219 Ordinary (Equity) Shares of Rs. 10 each, 10,00,000 Ordinary (Equity) Shares of Rs. 10 each, 1,73,53,034 Ordinary (Equity) Shares of Rs. 5 each, 19,11,628 Ordinary (Equity) Shares of Rs. 5 each and 52,00,000 Ordinary (Equity) Shares of Rs. 5 each in the years ended 31st March, 2002, 31st March, 2010, 31st March, 2011, 31st March 2014 and 31st March, 2015 respectively to the Mahindra & Mahindra Employees' Stock Option Trust set up by the Company. The trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the 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. OR iii) 3 instalments bifurcated as 33.33% on the expiry of 12 months, 33.33% on the expiry of 24 months and 33.34% on the expiry of 36 months. The options may be exercised on any day over a period of 5 years from the date of vesting. Number of vested options exercisable is subject to a minimum of 50 or number of options vested whichever is lower.

Summary of stock options

	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2018.....	59,62,690	5.63
Options granted during the year.....	23,26,088	5.00
Options forfeited/lapsed during the year.....	2,82,839	30.64
Options exercised during the year.....	16,54,106	6.04
Options outstanding on 31 st March, 2019.....	63,51,833	4.18
Options vested but not exercised on 31 st March, 2019.....	16,64,616	5.46

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.)
20 th April, 2018 to 26 th March, 2019	761.78

Information in respect of options outstanding as at 31st March, 2019 (adjusted for bonus shares)

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50.....	40,40,720	5.39 years
Rs. 5.00.....	22,96,113	6.88 years
Rs. 331.00.....	15,000	2.15 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
13 th November, 2018.....	5 years	Rs. 737.44
13 th November, 2018.....	3 years	Rs. 744.28

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	
	13 th Nov, 2018 (5 years vesting)	13 th Nov, 2018 (3 years vesting)
Risk free interest rate.....	7.65%	7.57%
Expected life.....	5.51 years	4.51 years
Expected volatility.....	51.44%	54.78%
Expected dividend yield.....	0.96%	0.96%
Exercise Price (Rs.) (adjusted for bonus shares).....	5.00	5.00
Stock Price (Rs.) (adjusted for bonus shares).....	780.90	780.90

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. 2,440.05 crores** before tax (2018 : Rs. 2,420.33 crores before tax).
 - (ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 402.88 crores** before tax (2018 : Rs. 151.13 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. 1,762.97 crores** (2018 : Rs. 1,467.03 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. 351.80 crores** (2018 : Rs. 335.58 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** (duty+penalty) and the interest of **Rs. 417.13 crores** accrued on the same upto 31st March, 2019, 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 allowed 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 :

- (a) The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2019 is **Rs. 2,699.71 crores** (2018 : Rs.1,032.41 crores) and other commitment as at 31st March, 2019 is **Rs. 982.71 crores** (2018: Rs. 2,028.73 crores).
- (b) In February 2019, Supreme Court of India in its judgement opined on the applicability of allowances that should be considered to measure obligations under Employees Provident Fund Act, 1952. The Group has been legally advised that there are interpretative challenges on the application of judgement retrospectively and therefore has currently not considered any probable obligations for past periods.

41. Research and Development expenditure :

In recognised Research and Development units :

Debited to the Statement of Profit and Loss, including certain expenditure based on allocations made by the Group, aggregated to **Rs. 1,440.30 crores** (2018 : Rs.1,426.20 crores).

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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 & Mahindra Limited	85.56%	34,209.23	90.23%	4,796.04	-4.51%	12.35	95.38%	4,808.39
SUBSIDIARIES								
Indian								
Mahindra Automobile Distributor Private Limited	0.03%	11.19	0.04%	2.19	0.00%	—	0.04%	2.19
Mahindra Trucks and Buses Limited	0.27%	108.32	0.05%	2.58	-0.25%	0.69	0.06%	3.27
Mahindra Heavy Engines Limited	0.99%	395.80	0.99%	52.63	0.03%	(0.08)	1.04%	52.55
Mahindra Electric Mobility Limited	0.70%	280.41	-1.00%	(52.99)	0.26%	(0.71)	-1.07%	(53.70)
Mahindra Vehicle Manufacturers Limited	12.20%	4,877.70	13.56%	720.62	-0.33%	0.92	14.31%	721.54
NBS International Limited	-0.02%	(7.52)	-0.14%	(7.47)	-0.02%	0.06	-0.15%	(7.41)
Gromax Agri Equipment Limited	0.07%	26.00	0.02%	1.14	-0.09%	0.24	0.03%	1.38
Mahindra Agri Solutions Limited	0.07%	27.85	-1.20%	(63.90)	-0.11%	0.30	-1.26%	(63.60)
Mahindra Greenyard Private Limited	0.00%	0.88	-0.06%	(3.15)	0.00%	(0.01)	-0.06%	(3.16)
Mahindra HZPC Private Limited	-0.02%	(8.43)	-0.31%	(16.43)	0.00%	(0.01)	-0.33%	(16.44)
Mahindra EPC Irrigation Limited (Formerly known as EPC Industrie Limited)	0.38%	149.95	0.21%	11.29	0.03%	(0.07)	0.22%	11.22
Orizonte Business Solutions Limited	0.01%	4.75	-0.10%	(5.45)	0.00%	—	-0.11%	(5.45)
Kota Farm Services Limited	0.00%	(0.30)	0.00%	—	0.00%	—	0.00%	—
Bristlecone India Limited	0.32%	129.47	0.49%	25.84	0.07%	(0.20)	0.51%	25.64
Mahindra & Mahindra Financial Services Limited	27.28%	10,908.03	28.82%	1,531.78	-0.22%	0.59	30.40%	1,532.37
Mahindra Insurance Brokers Limited	0.95%	380.86	1.34%	71.49	0.16%	(0.44)	1.41%	71.05
Mahindra Rural Housing Finance Limited	2.82%	1,127.08	5.23%	278.25	0.22%	(0.59)	5.51%	277.66
Mahindra Asset Management Company Private Limited	0.14%	57.42	-0.74%	(39.49)	0.01%	(0.04)	-0.78%	(39.53)
Mahindra Trustee Company Private Limited	0.00%	0.22	0.00%	(0.01)	0.00%	—	0.00%	(0.01)

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Comprehensive income		Share of Total Comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Mahindra & Mahindra Financial Services Limited ESOP Trust	0.09%	34.94	0.05%	2.68	0.00%	—	0.05%	2.68
Mahindra Intertrade Limited	1.47%	588.30	1.46%	77.34	0.02%	(0.06)	1.53%	77.28
Mahindra Steel Service Centre Limited	0.28%	111.14	0.17%	8.80	-0.01%	0.04	0.18%	8.84
Mahindra Electrical Steel Private Limited	-0.01%	(3.47)	-0.05%	(2.45)	0.00%	—	-0.05%	(2.45)
Mahindra Auto Steel Private Limited	0.24%	94.89	0.19%	9.98	0.00%	(0.00)	0.20%	9.98
Mahindra Consulting Engineers Limited	0.04%	16.64	0.02%	0.94	0.00%	(0.01)	0.02%	0.93
Mahindra Lifespace Developers Limited	4.38%	1,751.30	1.10%	58.58	0.28%	(0.77)	1.15%	57.81
Mahindra Infrastructure Developers Limited	0.03%	12.18	0.19%	10.36	0.00%	—	0.21%	10.36
Mahindra World City (Maharashtra) Limited	-0.02%	(8.32)	-0.01%	(0.60)	0.00%	—	-0.01%	(0.60)
Knowledge Township Limited	0.06%	23.67	0.00%	0.19	0.00%	—	0.00%	0.19
Mahindra Bloomdale Developers Limited (Formerly Known As Mahindra Bebanco Developers Limited)	0.04%	17.24	0.07%	3.48	0.01%	(0.02)	0.07%	3.46
Industrial Township (Maharashtra) Limited	0.01%	4.82	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Anthurium Developers Limited	0.00%	0.25	0.00%	0.05	0.00%	—	0.00%	0.05
Mahindra Integrated Township Limited	0.20%	79.08	-0.09%	(5.03)	0.00%	—	-0.10%	(5.03)
Mahindra Residential Developers Limited	0.22%	87.26	0.11%	5.78	0.00%	—	0.11%	5.78
Mahindra Water Utilities Limited	0.14%	57.50	0.15%	7.87	0.00%	0.00	0.16%	7.87
Rathna Bhoomi Enterprises Private Limited	0.00%	(0.04)	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Deepmangal Developers Private Limited	0.00%	(0.29)	0.00%	(0.14)	0.00%	—	0.00%	(0.14)
Moonshine Construction Private Limited	0.00%	(0.31)	0.00%	(0.01)	0.00%	—	0.00%	(0.01)

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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 Holidays & Resorts India Limited	-1.10%	(440.77)	1.23%	65.64	0.03%	(0.09)	1.30%	65.55
Mahindra Hotels and Residences India Limited	0.00%	(0.13)	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Gables Promoters Private Limited	0.15%	60.14	-0.03%	(1.75)	0.00%	—	-0.03%	(1.75)
Mahindra Holidays & Resorts India Limited ESOP Trust	0.02%	8.27	0.00%	0.22	0.00%	—	0.00%	0.22
Mahindra Holdings Limited	5.25%	2,098.74	0.04%	1.94	0.00%	—	0.04%	1.94
Mahindra Namaste Limited	0.00%	0.52	0.01%	0.33	0.00%	—	0.01%	0.33
Mahindra Integrated Business Solutions Private Limited	0.02%	8.73	0.02%	0.91	-0.06%	0.16	0.02%	1.07
Mahindra Susten Private Limited	2.03%	811.61	1.18%	62.83	-0.17%	0.46	1.26%	63.29
MachinePulse Tech Private Limited	0.00%	0.14	0.00%	0.09	0.00%	—	0.00%	0.09
Mahindra Renewables Private Limited	0.71%	283.55	-0.03%	(1.80)	0.00%	—	-0.04%	(1.80)
Mahindra Suryaurja Private Limited	0.00%	0.05	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Cleansolar Renewable Energy Private Limited	0.16%	63.95	0.02%	1.23	0.00%	—	0.02%	1.23
Divine Solren Private Limited	0.21%	85.78	0.16%	8.26	0.00%	—	0.16%	8.26
Neo Solren Private Limited	0.18%	72.97	0.07%	3.47	0.00%	—	0.07%	3.47
Marvel Solren Private Limited	0.02%	8.61	-0.02%	(0.86)	0.00%	—	-0.02%	(0.86)
Astra Solren Private Limited	0.17%	66.70	0.01%	0.53	0.00%	—	0.01%	0.53
Mahindra Engg & Chem Products Limited	2.21%	884.90	0.03%	1.59	0.00%	—	0.03%	1.59
Retail Initiative Holdings Limited	0.89%	357.25	0.00%	(0.05)	0.00%	—	0.00%	(0.05)
Mahindra Retail Limited (formerly known as Mahindra Retail Private Limited)	0.98%	390.14	-0.43%	(22.83)	0.00%	—	-0.45%	(22.83)
Mahindra Two Wheelers Limited	0.02%	7.76	0.02%	0.83	0.00%	0.01	0.02%	0.84
Mahindra Defence Systems Limited	0.69%	277.16	0.52%	27.61	-0.07%	0.19	0.55%	27.80
Mahindra Defence Naval Systems Private Limited	0.00%	(0.21)	-0.02%	(0.85)	0.08%	(0.23)	-0.02%	(1.08)
Mahindra First Choice Wheels Ltd	0.27%	107.39	-0.27%	(14.60)	-0.09%	0.24	-0.28%	(14.36)

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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 First Choice Services Limited	-0.14%	(55.92)	-0.67%	(35.54)	0.01%	(0.02)	-0.71%	(35.56)
Auto Digitech Private Limited	-0.03%	(13.50)	-0.06%	(3.01)	0.00%	—	-0.06%	(3.01)
Mahindra 'Electoral Trust' Company	0.00%	0.03	0.00%	—	0.00%	—	0.00%	—
Mahindra eMarket Limited	0.00%	1.45	0.03%	1.54	0.00%	—	0.03%	1.54
M&M Benefit Trust	3.65%	1,459.77	1.46%	77.75	0.00%	—	1.54%	77.75
Mahindra & Mahindra ESOP Trust	1.31%	524.37	0.73%	38.79	0.00%	—	0.77%	38.79
Sunrise Initiatives Trust (Consolidated)	0.07%	26.49	0.09%	4.67	-0.02%	0.06	0.09%	4.73
Mahindra Construction Company Limited	-0.06%	(22.48)	0.00%	(0.06)	0.00%	—	0.00%	(0.06)
Officemartindia.Com Limited	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Mahindra & Mahindra Contech Limited	0.03%	13.19	0.02%	1.05	-0.09%	0.24	0.03%	1.29
Trringo.com Limited	0.01%	2.45	-0.14%	(7.65)	-0.01%	0.03	-0.15%	(7.62)
Mahindra Airways Limited	0.00%	(0.07)	-0.02%	(0.83)	0.00%	—	-0.02%	(0.83)
Mahindra First Choice Wheels Ltd ESOP Trust	0.00%	(0.01)	0.00%	—	0.00%	—	0.00%	—
Mahindra Consulting Engineers Limited ESOP Trust	0.01%	3.28	0.00%	0.02	0.00%	—	0.00%	0.02
Mahindra MSTC Recycling Private Limited	0.07%	27.74	-0.11%	(5.81)	0.01%	(0.02)	-0.12%	(5.83)
Mahindra Logistics Limited (Consolidated)	1.40%	560.29	1.51%	80.11	0.01%	(0.03)	1.59%	80.08
Mahindra Waste To Energy Solutions Limited	0.04%	16.10	-0.04%	(2.23)	0.01%	(0.03)	-0.04%	(2.26)
Mahindra Telecom Energy Management Services Limited	0.00%	0.04	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Mahindra Summit Agriscience Limited	0.00%	(1.91)	-0.01%	(0.63)	0.02%	(0.05)	-0.01%	(0.68)
MRHFL Employee Welfare trust (ESOP)	0.00%	—	0.00%	—	0.00%	—	0.00%	—

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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 ^	0.01%	3.01	-0.10%	(5.52)	-0.01%	0.02	-0.11%	(5.50)
Mahindra Europe S.r.l. €	0.03%	10.59	-0.05%	(2.54)	0.15%	(0.41)	-0.06%	(2.95)
Mahindra Graphic Research Design S.r.l. €	0.00%	0.50	-0.30%	(15.89)	-0.12%	0.33	-0.31%	(15.56)
Mahindra and Mahindra South Africa (Proprietary) Limited	0.12%	47.37	-0.44%	(23.56)	4.14%	(11.35)	-0.69%	(34.91)
Mahindra Tractor Assembly Inc. \$	-0.25%	(100.15)	-2.62%	(139.05)	-0.55%	1.50	-2.73%	(137.55)
Ssangyong Motor Company »	10.88%	4,349.88	-6.59%	(350.21)	46.97%	(128.70)	-9.50%	(478.91)
Ssangyong European Parts Center B.V. €	-0.04%	(16.68)	0.01%	0.40	-0.24%	0.65	0.02%	1.05
Ssangyong Motor (Shanghai) Company Limited >	0.00%	1.36	-0.07%	(3.92)	-0.01%	0.01	-0.08%	(3.91)
Mahindra USA Inc. \$	-0.48%	(193.09)	-13.79%	(732.91)	-6.42%	17.58	-14.19%	(715.33)
Bristlecone Limited \$	0.07%	28.53	-0.02%	(0.83)	2.43%	(6.66)	-0.15%	(7.49)
Bristlecone Inc. \$	0.02%	6.35	0.15%	8.00	-0.88%	2.42	0.21%	10.42
Bristlecone Consulting Limited @	0.02%	7.79	0.08%	4.23	-0.01%	0.02	0.08%	4.25
Bristlecone International AG <	0.03%	11.40	-0.01%	(0.36)	-0.05%	0.14	0.00%	(0.22)
Bristlecone (UK) Limited £	0.01%	4.70	0.02%	0.85	0.03%	(0.08)	0.02%	0.77
Bristlecone (Malaysia) Sdn.Bhd **	0.01%	2.80	0.00%	0.03	-0.01%	0.02	0.00%	0.05
Bristlecone (Singapore) Pte. Limited ≤	0.00%	1.11	0.01%	0.47	0.00%	0.01	0.01%	0.48
Bristlecone GmbH €	0.09%	36.58	0.08%	4.50	0.53%	(1.45)	0.06%	3.05
Mahindra Middleeast Electrical Steel Service Centre (FZC) ●	0.07%	29.88	-0.05%	(2.50)	-0.72%	1.98	-0.01%	(0.52)
Heritage Bird (M) Sdn. Bhd. **	0.00%	(0.52)	0.01%	0.35	0.00%	(0.01)	0.01%	0.34
MH Boutique Hospitality Limited #	-0.01%	(2.70)	0.00%	(0.22)	0.17%	(0.47)	-0.01%	(0.69)
Infinity Hospitality Group Company Limited #	0.02%	9.57	0.00%	(0.25)	-0.18%	0.49	0.00%	0.24
MHR Holdings (Mauritius) Limited €	-0.08%	(31.03)	-0.09%	(4.58)	-2.94%	8.05	0.07%	3.47
Convington S.a.r.l. €	0.26%	103.59	0.12%	6.46	-4.27%	11.69	0.36%	18.15

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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
Arabian Dreams Hotel Apartments LLC •	0.00%	(0.55)	0.07%	3.96	0.11%	(0.30)	0.07%	3.66
Holiday Club Resort Oy € (Consolidated)	1.13%	450.30	0.03%	1.67	9.29%	(25.45)	-0.47%	(23.78)
HCR Management Oy €	0.04%	17.12	0.01%	0.67	0.01%	(0.04)	0.01%	0.63
Mahindra Overseas Investment Company (Mauritius) Limited. \$	3.59%	1,436.00	1.09%	57.83	5.37%	(14.73)	0.86%	43.10
Mahindra Emirates Vehicle Armouring FZ-LLC • (Consolidated)	0.06%	22.27	-0.06%	(3.24)	-0.57%	1.57	-0.03%	(1.67)
Mahindra Racing UK Limited £	0.02%	8.31	-0.15%	(8.00)	0.07%	(0.18)	-0.16%	(8.18)
Mahindra Racing S.p.A. €	0.00%	—	0.00%	—	1.83%	(5.03)	-0.10%	(5.03)
Mahindra International UK Limited £	0.00%	0.22	0.00%	—	0.00%	(0.00)	0.00%	(0.00)
Mahindra Two Wheelers Europe Holdings S.a.r.l. €	-0.07%	(26.24)	-3.97%	(211.05)	-3.11%	8.52	-4.02%	(202.53)
Peugeot Motocycles S.A.S. (Consolidated) €	-1.48%	(593.14)	-5.00%	(265.88)	-11.52%	31.57	-4.65%	(234.31)
Mitsubishi Mahindra Agricultural Machinery Co., Ltd (Consolidated) ¥	1.57%	628.83	-1.02%	(54.47)	8.12%	(22.24)	-1.52%	(76.71)
Mahindra West Africa Ltd ◊	0.00%	1.37	0.00%	0.21	-0.02%	0.07	0.01%	0.28
Mahindra Mexico S. de. R. L ©	-0.03%	(13.59)	-0.42%	(22.12)	-0.18%	0.48	-0.43%	(21.64)
Bristlecone Middle East DMCC •	-0.01%	(2.02)	-0.04%	(2.15)	-0.01%	0.02	-0.04%	(2.13)
Mahindra do Brasil Industrial Ltda B	0.00%	0.81	-0.49%	(25.95)	0.56%	(1.53)	-0.54%	(27.48)
OFD Holding BV (Consolidated) €	0.12%	46.41	-0.14%	(7.26)	1.73%	(4.75)	-0.24%	(12.01)
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Consolidated) ₺	0.21%	84.87	-1.63%	(86.89)	-0.75%	2.07	-1.68%	(84.82)
Mahindra Automotive North America Inc. (Consolidated) \$	0.16%	64.67	-2.21%	(117.60)	-1.42%	3.89	-2.26%	(113.71)
Erkunt Sanayi A.S ₺	0.84%	335.71	0.54%	28.59	38.33%	(105.02)	-1.52%	(76.43)
Erkunt Traktor Sanayii A.S ₺	0.67%	269.00	-1.23%	(65.35)	6.53%	(17.90)	-1.65%	(83.25)
Mahindra Fresh Fruits Distribution Holding Company €	-0.01%	(2.99)	-0.01%	(0.29)	0.99%	(2.70)	-0.06%	(2.99)

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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
Automobili Pininfarina Gmbh €	0.26%	105.02	-1.98%	(105.12)	-1.55%	4.25	-2.00%	(100.87)
Mahindra Susten Bangladesh Private Limited (W.E.F. 19.04.2018) ©©	0.00%	0.23	0.00%	(0.10)	0.00%	—	0.00%	(0.10)
Ssangyong Australia Pty Limited ^	0.00%	(1.31)	-0.37%	(19.80)	0.09%	(0.26)	-0.40%	(20.06)
Mahindra Automotive Mauritius Limited \$	0.59%	236.96	-0.01%	(0.37)	2.84%	(7.78)	-0.16%	(8.15)
PT Mahindra Accelo Steel Indonesia <<	0.03%	13.57	-0.01%	(0.27)	-0.04%	0.11	0.00%	(0.16)
MSPE Urja S.R.L. €	0.00%	0.08	0.00%	—	0.00%	(0.00)	0.00%	(0.00)
Associates (Investment as per the equity method)								
Indian								
Swaraj Engines Limited	0.20%	79.25	0.52%	27.45	0.00%	—	0.54%	27.45
Tech Mahindra Limited	14.66%	5,862.18	23.43%	1,245.18	-7.04%	19.30	25.08%	1,264.48
Mahindra CIE Automotive Limited	1.23%	490.67	1.24%	65.76	-2.92%	8.00	1.46%	73.76
PSL Media & Communications Limited	0.00%	0.92	0.00%	—	0.00%	—	0.00%	—
Brainbees Solutions Private Limited	0.91%	364.05	-0.48%	(25.30)	-0.08%	0.23	-0.50%	(25.07)
Medwell Ventures Private Limited	0.07%	28.15	-0.27%	(14.10)	0.00%	—	-0.28%	(14.10)
Merakisan Private Limited	0.00%	(1.01)	-0.02%	(0.91)	-0.09%	0.25	-0.01%	(0.66)
Mahindra Knowledge Park Mohali Limited	0.00%	(0.56)	0.00%	—	0.00%	—	0.00%	—
Foreign								
Mahindra Finance USA LLC \$	1.02%	406.60	0.88%	46.93	-7.89%	21.62	1.36%	68.55
CIE Automotive S.A. €	0.98%	392.39	4.49%	238.61	25.09%	(68.75)	3.37%	169.86
P.F. holding BV €	0.51%	202.40	-0.24%	(12.96)	2.58%	(7.07)	-0.40%	(20.03)
Scoot Networks Inc. \$	0.04%	16.18	-1.02%	(54.03)	0.00%	—	-1.07%	(54.03)
Resson Aerospace Corporation @	0.02%	8.95	-0.07%	(3.70)	0.00%	—	-0.07%	(3.70)
The East India Company Group Ltd BVI £	-0.01%	(4.85)	-0.13%	(6.73)	3.00%	(8.22)	-0.30%	(14.95)

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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
Joint Ventures (Investment as per the equity method)								
Indian								
Mahindra World City (Jaipur) Limited	0.56%	224.96	0.62%	33.07	-0.02%	0.05	0.66%	33.12
Mahindra World City Developers Limited	0.34%	134.93	0.24%	12.83	0.00%	—	0.25%	12.83
Mahindra Homes Private Limited	-0.05%	(18.23)	0.26%	13.60	0.00%	—	0.27%	13.60
Mahindra Inframan Water Utilities Pvt. Limited	0.00%	—	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Mahindra Sanyo Special Steel Pvt. Ltd	0.15%	60.64	-0.34%	(17.82)	0.00%	—	-0.35%	(17.82)
Mahindra Aerospace Private Limited	0.44%	174.92	-2.04%	(108.31)	-0.08%	0.23	-2.14%	(108.08)
Brightsolar Renewable Energy Private Limited	0.04%	14.56	0.01%	0.65	0.00%	—	0.01%	0.65
Mahindra Tsubaki Conveyor Systems Private Limited	0.08%	30.35	0.02%	0.86	0.01%	(0.02)	0.02%	0.84
Mahindra Telephonics Integrated Systems Limited	0.03%	10.63	-0.06%	(3.44)	-0.02%	0.06	-0.07%	(3.38)
Classic Legends Private Limited	0.18%	72.70	-0.21%	(11.32)	-0.61%	1.66	-0.19%	(9.66)
Mahindra Happinest Developers Limited	-0.02%	(7.09)	-0.05%	(2.87)	0.00%	—	-0.06%	(2.87)
M.I.T.R.A Agro Equipments Private Limited	0.01%	3.14	0.00%	0.10	0.00%	—	0.00%	0.10
Carnot Technologies Private Limited	0.00%	1.18	0.00%	0.04	0.00%	—	0.00%	0.04
Resfeber Labs Private Limited	0.00%	—	-0.20%	(10.37)	0.00%	—	-0.21%	(10.37)
Mahindra Industrial Park Private Limited (formerly known as Industrial Cluster Private Limited)	0.00%	(0.96)	-0.01%	(0.47)	0.00%	—	-0.01%	(0.47)
Mahindra Industrial Park Chennai Limited	0.26%	103.06	0.00%	—	0.00%	—	0.00%	—
Mahindra Bebanco Developers Limited (upto 27 th May, 2018)	0.00%	—	0.05%	2.57	0.00%	—	0.05%	2.57
Foreign								
Mahindra-BT Investment Company (Mauritius) Limited \$	0.20%	80.73	0.02%	1.15	-0.70%	1.93	0.06%	3.08
SY Auto Capital Co., LTD »	0.25%	98.53	0.19%	9.85	0.30%	(0.81)	0.18%	9.04

42. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.):

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of 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
Sampo Rosenlew Oy €	0.06%	23.88	-1.08%	(57.37)	0.16%	(0.43)	-1.15%	(57.80)
Zoomcar Inc \$	0.02%	9.12	-0.49%	(26.29)	-1.05%	2.89	-0.46%	(23.40)
Mahindra Ideal Lanka (Private) Limited BB	0.02%	6.79	0.00%	(0.12)	0.00%	—	0.00%	(0.12)
Non controlling Interest	-20.91%	(8,360.57)	-13.20%	(701.39)	-13.05%	35.75	-13.20%	(665.64)
Consolidation adjustments and Inter Company Eliminations	-77.92%	(31,158.18)	-17.50%	(929.27)	12.49%	(34.18)	-19.12%	(963.45)
Total	100.00%	39,983.41	100.00%	5,315.46	100.00%	(273.98)	100.00%	5,041.48

- Converted into Indian Rupees at the exchange rate, 1 AED = Rs. 18.82 as on 31st March, 2019
- ^ Converted into Indian Rupees at the exchange rate, 1 AUD = Rs. 48.99 as on 31st March, 2019
- B Converted into Indian Rupees at the exchange rate, 1 BRL = Rs. 17.78 as on 31st March, 2019
- @ Converted into Indian Rupees at the exchange rate, 1 CAD = Rs. 51.97 as on 31st March, 2019
- < Converted into Indian Rupees at the exchange rate, 1 CHF = Rs. 69.42 as on 31st March, 2019
- > Converted into Indian Rupees at the exchange rate, 1 CNY = Rs. 10.28 as on 31st March, 2019
- € Converted into Indian Rupees at the exchange rate, 1 EUR = Rs. 77.62 as on 31st March, 2019
- £ Converted into Indian Rupees at the exchange rate, 1 GBP = Rs. 90.35 as on 31st March, 2019
- ¥ Converted into Indian Rupees at the exchange rate, 1 JPY = Rs. 0.6244 as on 31st March, 2019
- » Converted into Indian Rupees at the exchange rate, 1 KRW = Rs. 0.0608 as on 31st March, 2019
- © Converted into Indian Rupees at the exchange rate, 1 MXN = Rs. 3.57 as on 31st March, 2019
- ** Converted into Indian Rupees at the exchange rate, 1 MYR = Rs. 16.99 as on 31st March, 2019
- ◇ Converted into Indian Rupees at the exchange rate, 1 NGN = Rs. 0.1922 as on 31st March, 2019
- ℞ Converted into Indian Rupees at the exchange rate, 1 RUB = Rs. 1.06 as on 31st March, 2019
- ≥ Converted into Indian Rupees at the exchange rate, 1 SEK = Rs. 7.44 as on 31st March, 2019
- ≤ Converted into Indian Rupees at the exchange rate, 1 SGD = Rs.50.99 as on 31st March, 2019
- # Converted into Indian Rupees at the exchange rate, 1 THB = Rs. 2.19 as on 31st March, 2019
- ₹ Converted into Indian Rupees at the exchange rate, 1 TRY = Rs. 12.32 as on 31st March, 2019
- \$ Converted into Indian Rupees at the exchange rate, 1 USD = Rs. 69.19 as on 31st March, 2019
- ₪ Converted into Indian Rupees at the exchange rate, 1 ZAR = Rs. 4.74 as on 31st March, 2019
- ©© Converted into Indian Rupees at the exchange rate, 1 BDT = Rs. 0.83 as on 31st March, 2019
- << Converted into Indian Rupees at the exchange rate, 1 IDR = Rs. 0.0048 as on 31st March, 2019
- BB Converted into Indian Rupees at the exchange rate, 1 LKR = Rs. 0.3953 as on 31st March, 2019

43. Previous year's figures have been regrouped/reclassified wherever necessary.

Signatures to Notes 1 to 43

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, 2019

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

Directors

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

Group Chief Financial Officer & Group CIO

Executive Chairman

Managing Director

Company Secretary

Mumbai, 29th May, 2019

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	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	4,064.72	812.99	8,339.55	3,461.84	3,274.88	11,419.14	794.53	73.91	720.62	176.19	100.00%	
2	Mahindra Heavy Engines Limited	31/01/2008	INR	1.00	634.40	(238.60)	708.03	312.23	22.14	1,079.18	52.63	-	52.63	-	100.00%	
3	Mahindra Electric Mobility Limited	26/05/2010	INR	1.00	307.35	(26.94)	432.79	152.38	-	251.30	(52.99)	-	(52.99)	-	99.45%	
4	Mahindra Trucks and Buses Limited	01/10/2005	INR	1.00	93.35	14.97	157.19	48.87	55.49	200.30	1.24	(1.35)	2.59	-	100.00%	
5	Mahindra Automobile Distributor Private Limited	05/08/2005	INR	1.00	1.00	10.19	20.21	9.02	13.35	48.46	5.20	3.02	2.18	2.18	100.00%	
6	NBS International Limited	05/02/2001	INR	1.00	24.55	(32.12)	51.46	59.03	-	167.25	(7.54)	(0.01)	(7.53)	-	100.00%	
7	Mahindra Automotive Australia Pty. Limited	23/09/2008	AUD	48.99	22.41	(19.40)	55.34	52.33	-	88.77	(5.31)	-	(5.31)	-	100.00%	
8	Ssangyong Motor Company #	09/02/2011	KRW	0.06	4,193.66	33.62	13,412.86	9,185.58	81.77	22,599.99	(379.65)	-	(379.65)	-	74.65%	
9	Ssangyong Motor (Shanghai) Company Limited #	09/02/2011	CNY	10.28	30.84	(29.49)	5.29	3.94	-	1.33	(3.87)	-	(3.87)	-	74.65%	100.00%
10	Ssangyong European Parts Center B.V. #	09/02/2011	EUR	77.62	5.43	(25.16)	64.16	83.89	-	115.00	1.18	0.24	0.94	-	74.65%	100.00%
11	SY Auto Capital Co., LTD #	28/10/2015	KRW	0.06	121.60	71.60	506.21	313.01	-	236.37	24.71	6.01	18.70	-	38.07%	51.00%
12	SsangYong Australia Pty Limited \$	31/07/2018	AUD	48.99	17.76	(14.82)	71.91	68.98	-	20.01	(14.82)	-	(14.82)	-	74.65%	100.00%
13	Mahindra Europe S.r.l.	31/05/2005	EUR	77.62	11.03	(0.43)	95.01	84.41	-	157.91	(2.44)	-	(2.44)	-	100.00%	
14	Mahindra and Mahindra South Africa (Proprietary) Limited	20/10/2004	ZAR	4.74	24.65	16.50	227.51	186.36	1.43	623.56	(15.50)	6.27	(21.77)	6.16	100.00%	
15	Mahindra Graphic Research Design S.r.l.	20/02/2008	EUR	77.62	35.86	(29.71)	8.03	1.88	-	16.50	(12.17)	(2.57)	(9.60)	-	100.00%	
16	Mahindra Automotive North America Inc.	25/04/2017	USD	69.19	304.44	(29.12)	456.77	181.45	382.21	83.84	(43.83)	(13.63)	(30.20)	-	100.00%	
17	Mahindra Vehicle Sales and Service Inc.	06/06/2017	USD	69.19	214.19	(154.33)	109.15	49.29	-	337.03	(166.54)	(39.66)	(126.88)	-	100.00%	
18	Mahindra North American Technical Center, Inc.	18/12/2013	USD	69.19	167.96	(117.98)	310.22	260.24	-	349.44	3.26	11.26	(8.00)	-	100.00%	
19	Automobili Pininfarina GmbH	07/05/2018	EUR	77.62	46.57	58.45	303.84	198.82	-	-	(96.10)	4.77	(100.87)	-	100.00%	
20	Automobili Pininfarina Americas Inc.** \$\$\$	15/01/2019	USD	69.19	-	-	-	-	-	-	-	-	-	-	100.00%	
21	Mahindra West Africa Ltd	20/05/2016	NGN	0.19	1.15	0.21	3.19	1.83	-	(5.27)	0.28	0.07	0.21	-	100.00%	
22	Mahindra International UK Limited #	13/10/2015	GBP	90.35	-	-	-	-	-	-	-	-	-	-	100.00%	

Rupees crores

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
23	Gromax Agri Equipment Limited	18/12/1999	INR	1.00	54.30	(28.30)	112.00	86.00	-	147.74	1.14	-	1.14	-	60.00%	
24	Auto Ditech Private Limited	09/10/2009	INR	1.00	0.01	(2.59)	3.41	5.99	-	0.63	(3.01)	-	(3.01)	-	100.00%	
25	Trringo.com Limited	23/05/2016	INR	1.00	27.46	(25.01)	4.76	2.31	-	1.93	(7.65)	-	(7.65)	-	100.00%	
26	Mahindra USA Inc.	08/06/1994	USD	69.19	788.77	(724.73)	2,608.29	2,544.25	13.87	2,318.09	(722.74)	(173.42)	(549.32)	-	100.00%	
27	Mahindra Mexico S. de. R. L	08/08/2016	MXN	3.57	13.83	(27.42)	73.33	86.92	-	34.15	(24.71)	(2.84)	(21.87)	-	100.00%	
28	Mahindra do Brasil Industrial Ltda	14/10/2016	BRL	17.78	42.74	(46.51)	68.20	71.97	-	53.20	(33.32)	(7.45)	(25.87)	-	100.00%	
29	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi #	30/03/2017	TRY	12.32	153.77	(51.42)	455.85	353.50	-	251.67	(80.62)	(2.43)	(78.19)	-	86.80%	
30	Hisarlar İthalat İhracat Pazarlama Anonim Şirketi # \$	30/03/2017	TRY	12.32	27.97	(7.93)	27.22	7.19	-	117.81	(0.70)	-	(0.70)	-	86.80%	100.00%
31	Erkunt Traktor Sanayii A.S. #	01/12/2017	TRY	12.32	234.08	(52.04)	326.95	144.90	65.10	343.44	(54.27)	(7.52)	(46.75)	-	100.00%	
32	Erkunt Sanayi A. S. #	01/12/2017	TRY	12.32	9.92	176.08	338.78	152.78	6.31	578.66	58.96	10.49	48.47	-	98.69%	
33	Mahindra & Mahindra Financial Services Limited	30/09/1998	INR	1.00	122.98	10,785.05	67,077.99	56,169.96	2,910.51	8,809.81	2,382.44	825.38	1,557.06	477.86	51.43%	
34	Mahindra Insurance Brokers Limited	07/04/2004	INR	1.00	10.31	370.55	467.26	86.40	37.38	323.36	102.89	31.40	71.49	9.32	41.14%	80.00%
35	Mahindra Rural Housing Finance Limited	09/04/2007	INR	1.00	121.30	1,005.78	7,831.43	6,704.35	-	1,383.95	366.17	115.70	250.47	29.63	46.24%	89.91%
36	Mahindra Asset Management Company Private Limited	20/06/2013	INR	1.00	160.00	(102.58)	68.47	11.05	56.48	28.11	(39.49)	-	(39.49)	-	51.43%	100.00%
37	Mahindra Trustee Company Private Limited	25/04/2013	INR	1.00	0.50	(0.28)	0.24	0.02	0.12	0.25	(0.01)	-	(0.01)	-	51.43%	100.00%
38	Mahindra Lifespace Developers Limited	30/03/2007	INR	1.00	51.35	1,699.96	2,426.01	674.70	650.66	554.84	84.58	25.99	58.59	37.14	51.49%	
39	Mahindra Infrastructure Developers Limited	14/12/2001	INR	1.00	18.00	(5.82)	12.64	0.46	0.10	10.60	10.52	0.16	10.36	-	51.49%	100.00%
40	Mahindra World City (Maharashtra) Limited	21/09/2005	INR	1.00	1.17	(9.49)	12.10	20.42	11.91	-	(0.60)	-	(0.60)	-	51.49%	100.00%
41	Mahindra Integrated Township Limited	04/05/2006	INR	1.00	50.44	28.63	184.48	105.41	66.29	13.17	(9.36)	(4.33)	(5.03)	-	37.77%	73.36%
42	Knowledge Township Limited	16/08/2007	INR	1.00	21.00	2.68	63.06	39.38	-	0.33	0.22	0.03	0.19	-	51.49%	100.00%
43	Mahindra Residential Developers Limited	01/02/2008	INR	1.00	0.25	87.01	126.66	39.40	-	37.54	5.31	(0.47)	5.78	1.57	37.77%	100.00%
44	Industrial Township (Maharashtra) Limited	02/07/2008	INR	1.00	5.00	(0.18)	5.35	0.53	-	-	(0.01)	-	(0.01)	-	51.49%	100.00%

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
45	Anthurium Developers Limited	02/06/2010	INR	1.00	0.05	0.20	2.31	2.06	-	0.08	0.07	0.02	0.05	-	51.49%	100.00%
46	Mahindra Industrial Park Private Limited	29/03/2013	INR	1.00	0.05	(1.01)	142.82	143.78	-	0.49	(1.33)	(0.39)	(0.94)	-	51.49%	100.00%
47	Mahindra Water Utilities Limited	27/07/2015	INR	1.00	0.10	57.40	60.88	3.38	0.03	23.65	10.92	3.05	7.87	1.00	50.97%	99.00%
48	Mahindra World City Developers Limited	22/09/2004	INR	1.00	20.00	131.61	492.06	340.45	115.00	135.76	27.33	10.99	16.34	2.00	45.83%	89.00%
49	Mahindra World City Jaipur Limited	26/08/2005	INR	1.00	150.00	154.00	730.27	426.27	-	135.18	52.57	7.88	44.69	22.50	38.10%	74.00%
50	Bloomdale Developers Limited	03/06/2008	INR	1.00	0.05	(6.82)	195.93	202.70	-	93.51	10.09	2.93	7.16	-	51.49%	100.00%
51	Mahindra Industrial Park Chennai Limited	22/12/2014	INR	1.00	170.00	1.77	305.05	133.28	-	47.78	(1.47)	(0.41)	(1.06)	-	27.50%	60.00%
52	Mahindra Homes Private Limited	30/03/2017	INR	1.00	0.82	(25.14)	1,482.45	1,506.77	-	393.64	38.89	11.70	27.19	-	38.61%	74.98%
53	Mahindra Happinest Developers Limited	06/09/2017	INR	1.00	0.10	(14.00)	141.47	155.37	1.98	0.13	(11.47)	-	(11.47)	-	26.26%	51.00%
54	Mahindra Knowledge Park Mohali Limited	07/05/2018	INR	1.00	*	(1.22)	*	1.22	-	-	*	-	*	-	23.76%	46.15%
55	Deep Mangal Developers Private Ltd	28/11/2017	INR	1.00	0.01	(0.30)	2.16	2.45	-	-	(0.14)	-	(0.14)	-	51.49%	100.00%
56	Moonshine Construction Private Ltd	28/11/2017	INR	1.00	-	(0.30)	0.02	0.32	-	-	-	-	-	-	51.49%	100.00%
57	Mahindra Consulting Engineers Limited	22/08/1995	INR	1.00	1.89	14.75	23.74	7.10	-	17.37	1.34	0.40	0.94	-	88.35%	100.00%
58	Mahindra Holidays & Resorts India Limited	28/03/2000	INR	1.00	132.90	163.92	6,049.58	5,752.76	410.99	963.44	100.17	36.31	63.86	-	67.64%	100.00%
59	Mahindra Hotels and Residences India Limited	26/04/2007	INR	1.00	0.05	(0.18)	0.01	0.14	-	-	(0.02)	-	(0.02)	-	67.64%	100.00%
60	Gables Promoters Private Limited	24/08/2012	INR	1.00	65.00	18.62	166.44	82.82	-	17.81	(1.75)	-	(1.75)	-	67.64%	100.00%
61	Heritage Bird (M) Sdn. Bhd.	03/03/2008	MYR	16.99	0.51	(1.03)	6.85	7.37	-	1.23	0.46	0.12	0.35	-	67.64%	100.00%
62	Infinity Hospitality Group Company Limited	05/11/2012	THB	2.19	32.85	(23.28)	42.55	32.98	-	7.67	(0.26)	-	(0.26)	-	50.04%	100.00%
63	MH Boutique Hospitality Limited	02/11/2012	THB	2.19	2.19	(3.41)	8.33	9.55	8.31	-	(0.22)	-	(0.22)	-	33.14%	49.00%
64	MHR Holdings (Mauritius) Limited	11/07/2014	EUR	77.62	1.13	(26.48)	457.55	482.90	179.94	-	(4.39)	-	(4.39)	-	67.64%	100.00%
65	Covington S.a.r.l.	17/07/2014	EUR	77.62	0.10	181.51	537.00	355.39	511.34	15.93	6.41	0.05	6.36	-	67.64%	100.00%
66	HCR Management Oy	02/09/2015	EUR	77.62	0.02	17.21	17.23	-	16.26	-	0.64	-	0.64	-	67.64%	100.00%
67	Holiday Club Resort Oy	02/09/2015	EUR	77.62	92.83	369.33	950.94	488.79	98.74	1,013.38	17.74	2.08	15.66	9.65	65.25%	96.47%
68	Kiinteistö Oy Himos Gardens	02/09/2015	EUR	77.62	0.02	8.38	8.40	-	-	0.08	0.06	0.01	0.05	-	65.25%	100.00%

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
69	Suomen Vapaa-aikakiinteistöt Oy	02/09/2015	EUR	77.62	0.02	0.12	0.14	0.01	-	-	(0.01)	-	(0.01)	-	65.25%	100.00%
70	Kiinteistö Oy Vanha Ykköstii	02/09/2015	EUR	77.62	0.02	0.43	0.45	-	-	-	0.03	-	0.03	-	65.25%	100.00%
71	Kiinteistö Oy Katinnurkka	02/09/2015	EUR	77.62	0.02	2.41	2.43	-	-	-	0.04	-	0.04	-	65.25%	100.00%
72	Kiinteistö Oy Tenetinlahti	02/09/2015	EUR	77.62	0.02	0.87	0.89	-	-	-	0.04	-	0.04	-	65.25%	100.00%
73	Kiinteistö Oy Mällösnieni	02/09/2015	EUR	77.62	0.07	2.28	2.36	0.01	-	0.16	0.02	-	0.02	-	65.25%	100.00%
74	Kiinteistö Oy Rauhan Ranta 1	02/09/2015	EUR	77.62	0.02	0.99	1.02	0.01	-	-	0.02	-	0.02	-	65.25%	100.00%
75	Kiinteistö Oy Rauhan Ranta 2	02/09/2015	EUR	77.62	0.02	1.60	1.62	-	-	-	0.02	-	0.02	-	65.25%	100.00%
76	Kiinteistö Oy Tiurunniemi	02/09/2015	EUR	77.62	0.02	2.81	2.85	0.01	-	-	0.02	-	0.02	-	65.25%	100.00%
77	Kiinteistö Oy Rauhan Liikekiinteistöt 1	02/09/2015	EUR	77.62	0.02	13.81	71.81	57.98	-	6.93	0.41	-	0.41	-	65.25%	100.00%
78	Supermarket Capri Oy	02/09/2015	EUR	77.62	0.78	0.54	1.73	0.41	0.01	3.79	0.22	-	0.22	-	65.25%	100.00%
79	Kiinteistö Oy Kylpyläntorni 1	02/09/2015	EUR	77.62	0.02	1.94	1.96	-	-	-	(0.01)	-	(0.01)	-	65.25%	100.00%
80	Kiinteistö Oy Spa Lofts 2	02/09/2015	EUR	77.62	0.02	1.12	1.15	0.01	-	-	0.03	-	0.03	-	65.25%	100.00%
81	Kiinteistö Oy Spa Lofts 3	02/09/2015	EUR	77.62	0.02	1.11	1.13	0.01	-	-	0.03	-	0.03	-	65.25%	100.00%
82	Kiinteistö Oy Kuusamon Pulkajärvi 1	02/09/2015	EUR	77.62	0.02	2.15	2.70	0.53	-	0.09	0.02	-	0.02	-	65.25%	100.00%
83	Ownership Services Ab	02/09/2015	SEK	7.44	0.07	1.40	9.44	7.97	-	-	(0.02)	-	(0.02)	-	65.25%	100.00%
84	Are Villas 1 Ab	02/09/2015	SEK	7.44	0.04	-	0.16	0.13	-	-	-	-	-	-	65.25%	100.00%
85	Are Villas 2 Ab	02/09/2015	SEK	7.44	0.04	-	0.05	0.01	-	-	-	-	-	-	65.25%	100.00%
86	Holiday Club Sweden Ab Åre	01/12/2015	SEK	7.44	-	0.10	0.16	0.06	0.01	0.05	(0.01)	-	(0.01)	-	65.25%	100.00%
87	Holiday Club Sport and Spahotels AB	02/09/2015	SEK	7.44	0.74	2.67	48.67	45.25	-	108.47	0.64	-	0.64	-	33.28%	51.00%
88	Holiday Club Resort Rus LLC #	02/09/2015	RUB	1.06	-	-	-	-	-	-	-	-	-	-	65.25%	100.00%
89	Holiday Club Canarias Investments S.L.	02/09/2015	EUR	77.62	0.02	(0.02)	7.46	7.45	7.44	-	(0.02)	(0.01)	(0.02)	-	65.25%	100.00%
90	Holiday Club Canarias Sales & Marketing S.L.	02/09/2015	EUR	77.62	0.02	3.68	122.31	118.61	-	54.57	(2.00)	(0.47)	(1.54)	-	65.25%	100.00%
91	Holiday Club Canarias Resort Management S.L.	02/09/2015	EUR	77.62	0.02	27.71	75.78	48.05	-	42.61	2.67	0.60	2.07	-	65.25%	100.00%
92	Are Villa 3 AB	26/01/2018	SEK	7.44	0.04	3.39	3.47	0.04	-	-	(3.59)	-	(3.59)	-	65.25%	100.00%
93	Holiday Club Canarias Vacation Club SLU (formerly Passeport Sante SL)	18/12/2018	EUR	77.62	0.01	-	6.35	6.34	1.47	8.12	0.01	-	0.01	-	65.25%	100.00%
94	Mahindra Two Wheelers Limited	29/09/2008	INR	1.00	6.00	1.76	16.48	8.72	1.91	31.53	0.97	0.14	0.83	-	92.88%	

Rupees crores

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
95	Classic Legends Private Limited	18/10/2016	INR	1.00	142.21	(23.42)	151.50	32.71	40.83	1.27	(25.64)	(6.88)	(18.76)	-	60.00%	
96	BSA Company Limited	21/10/2016	GBP	90.35	0.99	(1.06)	0.45	0.52	-	0.50	(0.18)	-	(0.18)	-	60.00%	100.00%
97	Mahindra Two Wheelers Europe Holdings S.a.r.l. \$	02/12/2014	EUR	77.62	115.65	(115.99)	0.05	0.39	-	-	(202.51)	-	(202.51)	-	100.00%	
98	Peugeot Motocycles S.A.S. #	19/01/2015	EUR	77.62	76.14	(652.50)	407.99	984.35	-	835.83	(285.90)	(3.89)	(282.01)	-	51.00%	100.00%
99	Peugeot Motocycles Deutschland GmbH #	19/01/2015	EUR	77.62	0.20	4.60	12.80	8.00	-	124.42	0.59	0.25	0.33	-	51.00%	100.00%
100	Peugeot Motocycles Italia S.p.A. #	19/01/2015	EUR	77.62	2.05	0.43	36.97	34.49	-	50.58	0.26	-	0.26	-	51.00%	100.00%
101	PMTIC Engineering SpA	23/01/2012	EUR	77.62	13.82	(1.22)	15.79	3.19	-	10.22	(2.38)	-	(2.38)	-	100.00%	
102	Mahindra Tractor Assembly Inc.	25/01/2013	USD	69.19	407.70	(612.11)	132.77	337.18	-	114.45	(242.94)	0.01	(242.95)	-	100.00%	
103	Mahindra Agri Solutions Limited	16/08/2000	INR	1.00	69.27	(41.42)	352.60	324.75	27.81	316.88	(57.47)	6.43	(63.90)	-	98.40%	
104	Mahindra Summit Agriscience Limited	09/10/2018	INR	1.00	0.01	126.18	195.97	69.78	-	10.63	(0.14)	0.49	(0.63)	-	98.40%	100.00%
105	Mahindra EPC Irrigation Limited	08/09/2011	INR	1.00	27.75	122.22	221.22	71.25	1.65	261.16	16.79	5.50	11.29	3.34	54.58%	
106	Mahindra Top Greenhouses Private Limited	16/11/2018	INR	1.00	3.00	(0.25)	3.49	0.74	-	0.20	(0.25)	-	(0.25)	-	32.75%	60.00%
107	Mahindra HZPC Private Limited	25/04/2013	INR	1.00	26.89	(35.32)	38.42	46.85	-	15.80	(16.43)	-	(16.43)	-	58.99%	59.00%
108	Mahindra Greenyard Private Limited	09/07/2014	INR	1.00	10.43	(9.55)	20.96	20.08	-	48.13	(3.15)	-	(3.15)	-	59.04%	60.00%
109	Mahindra Fresh Fruits Distribution Holding Company # \$	17/11/2017	EUR	77.62	0.08	(0.11)	-	0.03	-	-	(0.11)	-	(0.11)	-	98.40%	
110	OFD Holding BV # \$	22/02/2017	EUR	77.62	0.24	(7.86)	0.70	8.31	-	-	(1.07)	(0.21)	(0.86)	-	81.77%	83.09%
111	Origin Direct Asia Ltd. #	22/02/2017	USD	69.19	0.01	(2.17)	7.78	9.94	-	47.78	(2.35)	0.06	(2.42)	-	49.06%	60.00%
112	Origin Fruit Direct B.V. #	22/02/2017	EUR	77.62	0.11	39.47	130.41	90.83	-	350.11	4.42	1.04	3.38	-	81.77%	100.00%
113	Origin Fruit Services South America SpA # \$	22/02/2017	CLP	1.02	0.10	(11.59)	19.98	31.47	-	47.42	(13.64)	-	(13.64)	-	81.77%	100.00%
114	Origin Direct Asia (Shanghai) Trading Co. Ltd. #	22/02/2017	CNY	10.28	0.95	(9.77)	3.77	12.59	-	44.12	(7.65)	-	(7.65)	-	81.77%	100.00%
115	Bristlecone Limited	17/05/2004	USD	69.19	0.17	117.71	206.80	88.92	203.22	3.64	0.83	-	0.83	-	75.17%	
116	Bristlecone India Limited	25/09/1995	INR	1.00	19.05	110.42	195.24	65.77	5.73	339.11	38.15	12.31	25.84	-	75.17%	100.00%
117	Bristlecone Consulting Limited	01/06/2010	CAD	51.97	-	7.79	12.96	5.17	-	13.77	5.65	1.50	4.15	-	75.17%	100.00%
118	Bristlecone (Malaysia) Sdn.Bhd	30/05/2007	MYR	16.99	0.85	1.95	2.89	0.09	-	0.47	(0.10)	0.13	0.03	-	75.17%	100.00%
119	Bristlecone International AG	21/06/2011	CHF	69.42	0.69	10.67	14.32	2.96	-	13.81	(0.32)	(0.03)	(0.35)	-	75.17%	100.00%

Rupees crores

Rupees crores

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

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120	Bristlecone (UK) Limited	31/05/1999	GBP	90.35	21.23	(16.53)	4.87	0.17	-	2.08	0.89	0.05	0.84	-	75.17%	100.00%
121	Bristlecone Inc.	17/05/2004	USD	69.19	174.76	(124.84)	184.14	134.22	-	417.94	9.91	1.96	7.95	-	75.17%	100.00%
122	Bristlecone Middle East DMCC	18/07/2016	AED	18.82	0.09	(2.11)	6.26	8.28	-	6.20	(2.13)	-	(2.13)	-	75.17%	100.00%
123	Bristlecone GmbH	09/12/2003	EUR	77.62	0.39	36.23	50.29	13.67	-	47.99	5.73	1.41	4.32	-	75.17%	100.00%
124	Bristlecone (Singapore) Pte. Limited	21/02/2003	SGD	50.99	8.51	(7.35)	10.47	9.31	-	11.66	0.51	-	0.51	-	75.17%	100.00%
125	Mahindra-BT Investment Company (Mauritius) Limited	24/12/2004	USD	69.19	82.20	59.43	141.69	0.06	-	2.82	2.02	0.01	2.01	-	57.00%	-
126	Mahindra Intertrade Limited	28/04/1983	INR	1.00	16.60	571.67	867.27	279.00	30.36	1,521.87	117.67	40.33	77.34	29.36	100.00%	100.00%
127	Mahindra Steel Service Centre Limited	29/12/1993	INR	1.00	16.54	94.60	266.57	155.43	-	297.55	13.56	4.76	8.80	3.19	61.00%	-
128	Mahindra Electrical Steel Private Limited**	07/11/2009	INR	1.00	0.50	(3.97)	7.27	10.74	-	0.01	(2.67)	(0.22)	(2.45)	-	100.00%	-
129	Mahindra Auto Steel Private Limited	12/12/2013	INR	1.00	68.50	26.39	125.64	30.75	-	126.40	14.10	4.12	9.98	3.72	51.00%	-
130	Mahindra Middleeast Electrical Steel Service Centre (FZC)	08/08/2004	AED	18.82	3.80	26.12	45.92	16.00	-	52.62	(2.49)	-	(2.49)	-	90.00%	-
131	PT Mahindra Accelo Steel Indonesia **	19/12/2018	IDR	0.005	14.12	(0.27)	14.12	0.27	-	-	(0.27)	-	(0.27)	-	99.96%	-
132	Mahindra Holdings Limited	02/10/2007	INR	1.00	2,067.55	42.05	2,112.93	3.33	2,111.64	3.29	2.83	-	2.83	-	100.00%	-
133	Mahindra Overseas Investment Company (Mauritius) Limited	24/12/2004	USD	69.19	1,629.97	69.23	3,319.96	1,620.76	2,923.48	283.22	112.89	55.41	57.48	-	100.00%	-
134	Mahindra Automotive Mauritius Limited	06/11/2018	EUR	77.62	237.32	(0.36)	237.11	0.15	236.94	-	0.36	-	0.36	-	100.00%	-
135	Mahindra Racing UK Limited	04/03/2011	GBP	90.35	0.18	8.12	47.47	39.17	-	134.78	(7.89)	-	(7.89)	-	100.00%	-
136	Mahindra Susten Private Limited	04/03/2011	INR	1.00	168.26	643.07	2,121.53	1,310.20	295.80	2,656.26	79.85	16.90	62.95	-	100.00%	-
137	Mahindra Renewables Private Limited	28/07/2013	INR	1.00	279.42	4.13	1,585.49	1,301.94	280.43	17.49	(2.18)	(0.38)	(1.80)	-	100.00%	-
138	Cleansolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.62	54.33	255.28	191.33	-	39.52	1.95	0.72	1.23	-	100.00%	-
139	MachinePulse Tech Private Limited	05/01/2016	INR	1.00	0.10	0.04	3.80	3.66	-	3.14	0.12	0.03	0.09	-	100.00%	-
140	Divine Solren Private Limited	08/05/2015	INR	1.00	12.08	73.70	363.93	278.15	-	54.60	11.54	3.29	8.25	-	100.00%	-
141	Neo Solren Private Limited	01/07/2015	INR	1.00	9.32	63.65	333.15	260.18	-	43.11	4.86	1.39	3.47	-	100.00%	-
142	Marvel Solren Private Limited	10/10/2015	INR	1.00	9.53	(0.92)	86.76	78.15	-	9.70	(1.10)	(0.24)	(0.86)	-	100.00%	-
143	Astra Solren Private Limited	14/10/2015	INR	1.00	8.89	57.81	461.74	395.04	-	65.60	2.64	2.12	0.52	-	100.00%	-

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144	Brightsolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.52	11.81	78.27	56.94	-	13.26	1.96	0.53	1.43	-	51.00%	
145	Mega Suryaurja Private Limited	16/02/2017	INR	1.00	0.15	(0.10)	0.05	-	-	*	(0.02)	-	(0.02)	-	100.00%	
146	Mahindra Susten Bangladesh Private Limited	19/04/2018	BDT	0.83	0.33	(0.10)	0.33	0.10	-	-	(0.10)	-	(0.10)	-	100.00%	
147	MSPE Urja S.R.L. ** \$\$	29/03/2019	EUR	77.62	-	-	-	-	-	-	-	-	-	-	100.00%	
148	Mahindra Engineering and Chemical Products Limited	30/04/1964	INR	1.00	116.45	768.45	886.16	1.26	854.09	2.69	2.01	0.42	1.59	-	100.00%	
149	Retail Initiative Holdings Limited	01/07/2009	INR	1.00	20.55	(157.71)	357.38	494.54	357.37	-	(0.05)	-	(0.05)	-	100.00%	
150	Mahindra Retail Limited	01/07/2009	INR	1.00	951.46	(561.32)	409.42	19.28	355.48	160.26	(22.84)	-	(22.84)	-	100.00%	
151	Mahindra Defence Naval Systems Limited	18/05/2012	INR	1.00	15.03	(15.06)	37.93	37.96	-	25.66	(0.85)	-	(0.85)	-	100.00%	
152	Mahindra Defence Systems Limited	30/07/2012	INR	1.00	16.72	260.44	410.17	133.01	40.93	264.33	18.08	(9.53)	27.61	-	100.00%	
153	Mahindra Telephonics Integrated Systems Limited	22/04/2013	INR	1.00	50.78	(29.94)	25.91	5.07	-	10.33	(6.75)	-	(6.75)	-	51.00%	
154	Mahindra Emirates Vehicle Armouring FZ-LLC	05/08/2010	AED	18.82	18.82	3.45	32.12	9.85	-	37.86	(3.15)	-	(3.15)	-	88.00%	
155	Mahindra Armored Vehicles Jordon, LLC.** \$\$	31/03/2019	JOD	-	-	-	-	-	-	-	-	-	-	-	88.00%	100.00%
156	Mahindra First Choice Wheels Ltd	24/03/2008	INR	1.00	78.88	28.51	197.56	90.17	5.14	228.02	(14.57)	0.03	(14.60)	-	51.00%	
157	Mahindra First Choice Services Limited	15/11/1999	INR	1.00	296.00	(351.92)	28.14	84.06	-	113.60	(35.54)	-	(35.54)	-	100.00%	
158	Mahindra Namaste Limited	02/01/2010	INR	1.00	9.01	(8.49)	0.83	0.31	-	1.74	0.33	-	0.33	-	88.35%	100.00%
159	Mahindra Integrated Business Solutions Private Limited	18/01/2011	INR	1.00	1.50	7.23	21.21	12.48	0.92	78.05	1.24	0.33	0.91	-	100.00%	
160	Mahindra 'Electoral Trust' Company	30/12/2013	INR	1.00	0.05	(0.02)	0.03	-	-	-	*	-	*	-	100.00%	
161	Mahindra eMarket Limited	08/11/2014	INR	1.00	0.80	1.67	5.55	3.08	-	14.70	3.32	0.77	2.55	-	83.47%	100.00%
162	Orizonte Business Solutions Limited	25/11/2015	INR	1.00	26.49	(21.74)	5.52	0.77	0.19	6.84	(5.45)	-	(5.45)	-	92.24%	98.66%
163	Mahindra MSTC Recycling Private Limited	16/12/2016	INR	1.00	37.20	(9.46)	29.84	2.10	-	1.19	(5.46)	0.35	(5.81)	-	50.00%	
164	Mahindra Airways Limited	27/07/2016	INR	1.00	2.25	(2.32)	0.11	0.18	0.04	0.04	(0.83)	-	(0.83)	-	100.00%	
165	Mahindra Logistics Limited	12/12/2007	INR	1.00	71.45	427.39	1,121.05	622.21	98.93	3,672.78	130.32	45.88	84.44	15.50	58.52%	

Rupees crores

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

Sl. No.	Name of Subsidiary	The date since when subsidiary was acquired (dd/mm/yyyy)	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/ (Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @	Proportion of voting power where different
166	2 x 2 Logistics Private Limited	22/10/2012	INR	1.00	9.01	1.30	44.58	34.27	-	59.23	1.76	0.49	1.27	-	32.19%	55.00%
167	Lords Freight (India) Private Limited	07/08/2014	INR	1.00	2.36	5.75	57.17	49.05	-	174.38	1.36	0.42	0.94	-	48.53%	82.92%
168	Mahindra Aerospace Private Limited	28/02/2008	INR	1.00	689.63	(154.28)	541.53	6.18	538.37	2.39	(179.70)	0.05	(179.75)	-	88.87%	-
169	Mahindra Aerostructures Private Limited	27/01/2011	INR	1.00	398.86	(254.04)	199.07	54.24	-	71.42	(19.59)	-	(19.59)	-	88.87%	100.00%
170	Mahindra Aerospace Australia Pty Limited	08/04/2010	AUD	48.99	552.30	(301.11)	251.29	0.11	248.77	0.06	(89.64)	-	(89.64)	-	88.87%	100.00%
171	GA8 Airvan Pty Limited \$	27/06/2010	AUD	48.99	-	(0.04)	-	0.04	-	-	-	-	-	-	88.87%	100.00%
172	GA200 Pty Limited \$	27/06/2010	AUD	48.99	-	(0.04)	-	0.04	-	-	*	-	*	-	88.87%	100.00%
173	Nomad TC Pty Limited \$	27/06/2010	AUD	48.99	0.06	(0.10)	-	0.05	-	-	-	-	-	-	88.87%	100.00%
174	Airvan 10 Pty Limited \$	10/12/2015	AUD	48.99	-	(0.04)	-	0.04	-	-	*	-	*	-	88.87%	100.00%
175	Gippaero Pty Limited	27/06/2010	AUD	48.99	480.09	(429.51)	106.21	55.63	-	61.77	(98.17)	-	(98.17)	-	88.87%	100.00%
176	Airvan Flight Services Pty Limited \$	27/06/2010	AUD	48.99	-	(0.04)	-	0.04	-	-	-	-	-	-	88.87%	100.00%
177	Mahindra Waste To Energy Solutions Limited	25/06/2017	INR	1.00	18.51	(2.41)	17.39	1.29	-	0.57	(2.23)	-	(2.23)	-	100.00%	-
178	Mahindra Telecom Energy Management Services Limited**	25/06/2017	INR	1.00	0.05	(0.01)	0.04	-	-	-	(0.01)	-	(0.01)	-	100.00%	-
179	Mahindra Construction Company Ltd	28/11/2017	INR	1.00	2.40	(24.88)	0.57	23.05	-	0.01	(0.06)	-	(0.06)	-	65.39%	91.66%

Notes:

* denotes amounts less than Rs. 50,000.

** denotes companies yet to commence operations

\$\$ incorporated in current financial year and will prepare it's first statutory accounts in next financial year

denotes companies where reporting period is different from 1st April, 2018 to 31st March, 2019. The financial year for all other subsidiaries is 1st April, 2018 to 31st March, 2019

Under liquidation w.e.f 28 March, 2018

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

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

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

- (1) Gipp Aero Investments Pty Ltd
- (2) Aerostaff Australia Pty Ltd
- (3) Merakisan Private Limited
- (4) Mahindra Sanyo Special Steel Private Limited
- (5) Kiinteistö Oy Himoksen Tähti 2

Rupees crores

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

Rupees crores

Name of Associates / Joint Ventures	Audited Balance Sheet Date	Date of Acquisition	No. of Equity shares held ††	Proportion of ownership interest	Cost of Investments	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/(Loss) for the year	
							Considered in Consolidation	Not considered in consolidation
Swaraj Engines Limited	31/03/2019	11/08/2008	40,39,206	33.30%	1.60	79.25	27.45	54.97
Tech Mahindra Limited	31/03/2019	31/08/2012	25,64,50,608	28.90%	1,003.98	5,862.18	1,245.18	3,052.45
Mahindra & Mahindra Contech Limited	31/03/2019	01/04/2010	70,000	46.66%	1.73	6.16	0.49	0.56
Officemartindia.com Limited	31/03/2019	31/03/2002	7,49,997	50.00%	0.22	(0.12)	*	*
Kota Farm Services Limited	31/03/2019	15/04/2011	3,10,000	47.81%	0.27	(0.15)	*	*
P.F. holding BV \$		27/05/2016	1,83,36,050	40.00%	137.82	202.40	(12.96)	(19.43)
Sampo Rosenlew Oy	31/03/2019	01/07/2016	1,872	48.98%	132.35	23.88	(57.37)	(124.90)
Carnot Technologies Private Limited	31/03/2019	9/03/2018	7,370	23.66%	6.07	1.18	0.04	0.12
Mitsubishi Mahindra Agricultural Machinery co., Ltd. § §		01/10/2015	4	33.33%	191.59	419.24	(36.32)	(18.15)
M.I.T.R.A Agro Equipments Private Limited	31/03/2019	15/02/2018	68,413	27.06%	8.90	3.14	0.10	-
Zoomcar Inc \$		16/02/2018	11,913,048	17.03%	179.60	9.12	(26.29)	(128.11)
Resfeber Labs Private Limited	31/03/2019	28/03/2018	3,95,578	25.05%	81.08	1.04	(10.37)	(31.04)
Mahindra Ideal Lanka Private Limited	31/03/2019	31/05/2018	175,000	35.00%	6.79	6.67	(0.12)	(0.23)
Mahindra Sanyo Special Steel Private Limited	31/03/2019	21/06/2018	3,475,264	22.81%	145.13	60.52	(17.82)	(48.30)

- Notes :
- No associates/ Joint ventures are yet to commence operations.
 - * denotes amount less than Rs. 50000
 - †† including participating preference shares
 - \$ Based on unaudited financial statements as audit is not required as per their local laws
 - § In addition to JPY750 million Common Stock (which represents 33.33% of the Common stock),the Company owns the entire JPY 2,250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.

Nadir B. Godrej	} Directors	Anand G. Mahindra	Executive Chairman
M. M. Murugappan		Dr. Pawan Goenka	Managing Director
R. K. Kulkarni		V. S. Parthasarathy	Group Chief Financial Officer & Group CIO
Anupam Puri		Narayan Shankar	Company Secretary
Vishakha N. Desai			
Vikram Singh Mehta			
T. N. Manoharan			
Vijay Kumar Sharma			

Mumbai, 29th May, 2019

Mahindra
Rise.

Registered Office

Mahindra & Mahindra Limited
Gateway Building, Apollo Bunder
Mumbai 400 001

www.mahindra.com

Mahindra & Mahindra Limited

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

CIN: L65990MH1945PLC004558

website: www.mahindra.com • email: investors@mahindra.com • Tel: +91 22 22895500 • Fax: +91 22 22875485

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL. Joint Shareholders desiring to attend the Meeting may obtain additional Attendance Slips on request. Such request should reach the Company at its Registered Office or its Registrar & Transfer Agents, Karvy Fintech Private Limited at Karvy Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 on or before 24th July, 2019.

I/We hereby record my/our presence at the SEVENTY THIRD ANNUAL GENERAL MEETING of the Company being held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020 on Wednesday, 7th August, 2019 at 3:00 pm.

Name(s) of the Shareholder(s)/Proxy (IN BLOCK LETTERS)

Signature(s) of the Shareholder(s) or Proxy

Note: You are requested to bring your copy of the Annual Report to the Meeting.

(To be retained throughout the Meeting)

E-VOTING SLIP

Mahindra & Mahindra Limited

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

CIN: L65990MH1945PLC004558

website: www.mahindra.com • email: investors@mahindra.com • Tel: +91 22 22895500 • Fax: +91 22 22875485

ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Event Number)	USER ID	PASSWORD
4624		

- Note:
1. The remote e-voting period will commence on Friday, 2nd August, 2019 (9:00 a.m. IST) and will end on Tuesday, 6th August, 2019 (5:00 p.m. IST).
 2. Please read instructions given overleaf before voting electronically.

Instructions for Remote e-voting:

Members are requested to follow the instructions given below before they cast their vote through remote e-voting:

1. New Users

- (i) User ID and password for e-voting is provided in the table overleaf. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the URL: <https://www.evoting.karvy.com>
- (iii) Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be E-Voting Event Number (EVEN) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID.
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password with a new password of your choice with minimum 8 characters. The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new credentials.
- (vi) On successful login, the system will prompt you to select the "EVENT" i.e. Mahindra & Mahindra Limited.
- (vii) Now you are ready for e-voting as voting page opens.
- (viii) You may then cast your vote by selecting an appropriate option and click on "Submit" and also click on "OK" to confirm else "CANCEL" to modify.
- (ix) Once you have voted on the resolution(s), you will not be allowed to modify your vote.
- (x) Corporate/Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority letter etc. together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutiniser at e-mail ID sbhagwatcs@yahoo.co.in with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "**Corporate Name_EVEN.**"

2. Existing Users

If you are already registered with Karvy Fintech Private Limited ("Karvy") for e-voting then you can use your existing user ID and password for casting your vote. Please follow the steps from Sl. No. (vi) to (x).

Voting at the Annual General Meeting:

The facility for voting through e-voting system (Insta Poll) of Karvy shall also be made available at the Annual General Meeting (AGM) and Members attending the AGM who have not already cast their vote through 'remote e-voting' shall be able to exercise their right to vote at the AGM venue. Members who have cast their vote through 'remote e-voting' may also attend the Meeting but shall not be entitled to cast their vote again in the Meeting. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM.

General Instructions:

- I. In case of any queries and/or grievances, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact at investors@mahindra.com or evoting@karvy.com or call on 040 – 6716 1500 or on Karvy's toll free No. 1800-3454-001 for any further clarifications.
- II. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e. Wednesday, 31st July, 2019.
- IV. Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.

**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Mahindra & Mahindra Limited

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

CIN: L65990MH1945PLC004558

website: www.mahindra.com • email: investors@mahindra.com • Tel: +91 22 22895500 • Fax: +91 22 22875485

Name of the member(s)	:	
Registered address	:	
E-mail Id	:	
Folio No./Client Id	:	
DP ID	:	

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

1. Name: _____	E-mail Id: _____
Address: _____	Signature: <input type="text"/> , or failing him
2. Name: _____	E-mail Id: _____
Address: _____	Signature: <input type="text"/> , or failing him
3. Name: _____	E-mail Id: _____
Address: _____	Signature: <input type="text"/>

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Seventy Third Annual General Meeting of the Company, to be held on Wednesday, the 7th day of August, 2019 at 3:00 p.m. at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai - 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For	Against
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2019 and the Reports of the Board of Directors and Auditors thereon.		
2.	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2019 and the Report of the Auditors thereon.		
3.	Declaration of Dividend on Ordinary (Equity) Shares.		
4.	Re-appointment of Dr. Pawan Goenka (DIN:00254502) as a Director, who retires by rotation and, being eligible, offers himself for re-appointment.		
5.	Ratification of the Remuneration payable to Messrs D. C. Dave & Co., Cost Accountants (Firm Registration Number 000611), appointed as the Cost Auditors of the Company for the Financial Year ending 31 st March, 2020.		

Resolution No.	Description	For	Against
6.	Re-appointment of Dr. Vishakha N. Desai (DIN: 05292671) as an Independent Director of the Company for a second term commencing from 8 th August, 2019 to 30 th April, 2024.		
7.	Re-appointment of Mr. Vikram Singh Mehta (DIN: 00041197) as an Independent Director of the Company for a second term of five consecutive years commencing from 8 th August, 2019 to 7 th August, 2024.		
8.	Appointment of Mr. Vijay Kumar Sharma (DIN: 02449088) as a Non-Executive Non-Independent Director of the Company, representing Life insurance Corporation of India, liable to retire by rotation.		
9.	Appointment of Mr. Haigreva Khaitan (DIN: 00005290) as an Independent Director of the Company for a term of five consecutive years commencing from 8 th August, 2019 to 7 th August, 2024.		
10.	Appointment of Ms. Shikha Sharma (DIN: 00043265) as an Independent Director of the Company for a term of five consecutive years commencing from 8 th August, 2019 to 7 th August, 2024.		

Signed this _____ day of _____ 2019.

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, either in person or through post, not less than 48 hours before the commencement of the Meeting. Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorised under the said Board Resolution to attend and vote on their behalf at the Meeting.
2. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority as applicable. The Proxy-holder shall prove his identity at the time of attending the Meeting.