

Ref: NS: SEC:
5th July, 2021

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: Notice of Annual General Meeting, Integrated Annual Report for Financial Year 2020 - 21 and Secretarial Audit Report of Material Unlisted Subsidiary-Compliance under Regulations 24A, 30 & 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Please refer to our letter dated 28th May, 2021 intimating that the 75th Annual General Meeting of the Company will be held on Friday, 6th August, 2021 at 3.00 p.m. (IST) through Video Conferencing/Other Audio Visual Means.

In continuation of the aforesaid letter and 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:

- 1) Notice of the 75th Annual General Meeting of the Company (including e-voting instructions). The brief details of the agenda items proposed to be transacted thereat are given in Annexure I;
- 2) Integrated Annual Report for the Financial Year 2020-21.

The PDF and Flip Book version of the Integrated Annual Report and AGM Notice can be accessed/downloaded from the weblink given below:

- <https://www.mahindra.com/resources/investor-reports/FY21/Annual-Reports/MM-Annual-Report-2020-21.pdf>
- <https://www.mahindra.com/investors/annual-report-FY2021/index.html>

The aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company/KFin Technologies Private Limited ("Registrar and Transfer Agents" of the Company) or the Depositories.

Further, the Secretarial Audit Report of Mahindra Vehicle Manufacturers Limited ("MVML"), a material unlisted Indian subsidiary of the Company for the year ended 31st March, 2021 carried out pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Integrated Annual Report and appears as Annexure V to the Board's Report. The Secretarial Audit Report of MVML submitted by Mr. Sachin Bhagwat, Practicing Company Secretary does not contain any qualification, reservation or adverse remark or disclaimer.

This is for your information.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY

Encl: as above

Annexure I

Brief Summary of the Resolutions proposed to be transacted at the 75th AGM of the Company:

Resolution No.	Details of the Resolution	Ordinary/ Special Resolution
Ordinary Business:		
1.	To consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2021 and the Reports of the Board of Directors and Auditors thereon.	Ordinary
2.	To consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2021 and the Report of the Auditors thereon.	Ordinary
3.	Declaration of dividend on Ordinary (Equity) Shares.	Ordinary
4.	Appointment of a Director in place of Mr. Vijay Kumar Sharma (DIN: 02449088), who retires by rotation and, being eligible, offers himself for re-appointment.	Ordinary
5.	Appointment of a Director in place of Mr. CP Gurnani (DIN: 00018234), who retires by rotation and, being eligible, offers himself for re-appointment.	Ordinary
Special Business:		
6.	Ratification of Remuneration payable to Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No.000611), appointed as the Cost Auditors of the Company for the Financial Year ending 31 st March, 2022.	Ordinary
7.	Appointment of Ms. Nisaba Godrej (DIN: 00591503) as an Independent Director, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 8 th August, 2020 to 7 th August, 2025.	Ordinary
8.	Appointment of Mr. Muthiah Murugappan (DIN: 07858587) as an Independent Director, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from 8 th August, 2020 to 7 th August, 2025.	Ordinary
9.	Re-appointment of Mr. T. N. Manoharan (DIN: 01186248) as an Independent Director, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years commencing from 11 th November, 2021 to 10 th November, 2026.	Special
10.	Payment of remuneration to Mr. Anand G. Mahindra (DIN: 00004695) as Non-Executive Chairman of the Company for a period of 5 (five) years with effect from 12 th November, 2021.	Special

THE SEVENTY FIFTH ANNUAL GENERAL MEETING OF MAHINDRA & MAHINDRA LIMITED will be held on Friday, the 6th day of August, 2021 at 3:00 p.m., Indian Standard Time (IST), through Video Conferencing (“VC”)/ Other Audio Visual Means (“OAVM”) facility to transact the following businesses.

The proceedings of the Seventy Fifth Annual General Meeting (“AGM”) shall be deemed to be conducted at the Registered Office of the Company at Gateway Building, Apollo Bunder, Mumbai – 400 001 which shall be the deemed venue of the AGM.

ORDINARY BUSINESS

- 1. Consideration and Adoption of the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon**

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

“RESOLVED that the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be considered and adopted.”

- 2. Consideration and Adoption of the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Auditors thereon**

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

“RESOLVED that the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2021 and the Reports of the Auditors thereon, as circulated to the Members, be considered and adopted.”

- 3. Declaration of Dividend on Ordinary (Equity) Shares**

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

“RESOLVED that a Dividend of Rs. 8.75 (175%) per Ordinary (Equity) Share of the face value of Rs. 5 each for the year ended 31st March, 2021 on 124,31,92,544 Ordinary (Equity) Shares of the Company aggregating Rs. 1,087.79 crores as recommended by the Board of Directors be declared and that the said Dividend be distributed out of the accumulated balance of retained earnings representing the accumulated surplus in the profit and loss account as at 31st March, 2021.”

- 4. Re-appointment of Mr. Vijay Kumar Sharma, as a Director liable to retire by rotation**

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

“RESOLVED that Mr. Vijay Kumar Sharma (DIN: 02449088), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company.”

- 5. Re-appointment of Mr. CP Gurnani, as a Director liable to retire by rotation**

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

“RESOLVED that Mr. CP Gurnani (DIN: 00018234), who retires by rotation and being eligible for re-appointment, be re-appointed as a Director of the Company.”

SPECIAL BUSINESS

- 6. Ratification of Remuneration to Cost Auditors**

To consider and, if thought fit, to pass the following Resolution 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, 2022, amounting to Rs. 8,50,000 (Rupees Eight Lakhs Fifty Thousand 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.”

- 7. Appointment of Ms. Nisaba Godrej as an Independent Director**

To consider and, if thought fit, to pass the following Resolution 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 (“the Act”), 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. Nisaba Godrej (DIN: 00591503), who was appointed as an Additional Director (Independent and Non-Executive) of the Company, with effect from 8th August, 2020 under section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent

Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act proposing her candidature for the office of Director, 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 5 (five) consecutive years commencing from 8th August, 2020 to 7th August, 2025."

8. Appointment of Mr. Muthiah Murugappan as an Independent Director

To consider and, if thought fit, to pass the following Resolution 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 ("the Act"), 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. Muthiah Murugappan (DIN: 07858587), who was appointed as an Additional Director (Independent and Non-Executive) of the Company with effect from 8th August, 2020 under section 161 of the Act and the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting of the Company, and who qualifies for being appointed as an Independent Director and in respect of whom the Company has received a Notice in writing from a Member under section 160 of the Act proposing his candidature for the office of Director, 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 5 (five) consecutive years commencing from 8th August, 2020 to 7th August, 2025."

9. Re-appointment of Mr. T. N. Manoharan as an Independent Director

To consider and, if thought fit, to pass the following Resolution 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 ("the Act") 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. T. N. Manoharan (DIN: 01186248), who was appointed as an Independent Director of

the Company at the 71st Annual General Meeting of the Company held on 4th August, 2017 and who holds office of the Independent Director upto 10th November, 2021 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 Act, 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 5 (five) consecutive years commencing from 11th November, 2021 to 10th November, 2026."

10. Payment of remuneration to Mr. Anand G. Mahindra as a Non-Executive Chairman of the Company with effect from 12th November, 2021

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

"RESOLVED that pursuant to the provisions of sections 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") [including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force], and such other approvals, permissions and sanctions, as may be required and subject to such conditions and modifications, as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions, approval of the Company be accorded for payment of remuneration to Mr. Anand G. Mahindra (DIN: 00004695) as Non-Executive Chairman of the Company for a period of 5 (five) years with effect from 12th November, 2021, as under:

1) Total Remuneration of Rs. 5,00,00,000 per annum split as under:

- (a) Remuneration of Rs. 2,50,00,000 per annum by way of monthly payment and
- (b) Commission of Rs. 2,50,00,000 per annum.

2) Sitting Fees:

In addition to the above, Mr. Anand G. Mahindra shall be entitled to payment of sitting fees for attending the meetings of the Board of Directors or any Committee thereof, as approved by the Board of Directors for Non-Executive Directors of the Company.

3) Reimbursements and Benefits:

In addition to the above, Mr. Anand G. Mahindra shall be entitled to:

- Reimbursement of expenses actually and properly incurred in the course of business including travel, stay and entertainment, telephone and mobile, connectivity charges as per the Company's policy and
- Such other benefits and facilities in accordance with the Company's policy not exceeding 100% of the Total Remuneration per annum mentioned at point 1 above.

Provided that the above remuneration be paid to Mr. Anand G. Mahindra even if it exceeds one percent of the net profits of the Company in accordance with sections 197, 198 of the Act, including any statutory modification(s) or re-enactment(s) thereof.

Provided further that the above remuneration be paid to Mr. Anand G. Mahindra notwithstanding the limits approved by the Members of the Company for payment of remuneration to Non-Executive Directors of the Company from time to time.

FURTHER RESOLVED that where in any financial year during his directorship, the Company has no profits or its profits are inadequate, the Company may pay the above remuneration to Mr. Anand G. Mahindra, Non-Executive Chairman of the Company as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be statutorily permitted subject to receipt of the requisite approvals, if any.

FURTHER RESOLVED that pursuant to Regulation 17(6)(ca) of the Listing Regulations, approval of the Company be accorded for payment of above remuneration to Mr. Anand G. Mahindra, Non-Executive Chairman of the Company, in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors, for the Financial Year 2021-22.

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 and further to execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient."

Notes:

1. In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular No. 02/2021 dated 13th January, 2021 and MCA General Circular

No. 20/2020 dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Company will be conducting this Annual General Meeting ("AGM" or "Meeting") through Video Conferencing/Other Audio Visual Means ("VC"/"OAVM").

KFin Technologies Private Limited, Registrar & Transfer Agent of the Company (earlier known as Karvy Fintech Private Limited) ("KFin" or "KFintech") shall be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 23 below.

2. In view of the massive outbreak of the COVID-19 pandemic, social distancing has to be a pre-requisite. Pursuant to the above mentioned MCA Circulars, **physical attendance of the Members is not required at the AGM, and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under section 103 of the Companies Act, 2013 ("the Act").**
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote on his/her behalf and the Proxy need not be a Member of the Company. Since this AGM is being held through VC/OAVM pursuant to the applicable MCA and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate/Institutional Members are entitled to appoint authorised representatives to attend the AGM through VC/OAVM on their behalf and cast their votes through remote e-voting or at the AGM. Corporate/Institutional Members intending to authorize their representatives to participate and vote at the Meeting are requested to send a certified copy of the Board resolution/authorization letter to the Scrutiniser at e-mail ID sbhagwats@yahoo.co.in with a copy marked to evoting@kfintech.com and to the Company at investors@mahindra.com, authorising its representative(s) to attend and vote through VC/OAVM on their behalf at the Meeting, pursuant to section 113 of the Act.
5. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.

6. In compliance with applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") read with above mentioned MCA and SEBI Circulars, the AGM of the Company is being conducted through VC/OAVM.

In accordance with the Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/ Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed venue of the AGM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice.

7. The Explanatory Statement as required under section 102 of the Act is annexed hereto. Further, additional information with respect to Item Nos. 4 and 5 is also annexed hereto.

The Board of Directors have considered and decided to include the Item Nos. 6 to 10 given above as Special Business in the forthcoming AGM, as they are unavoidable in nature.

8. Messrs B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors of the Company at the 71st AGM held on 4th August, 2017. Pursuant to the Notification issued by the MCA 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 AGM has been omitted, and hence the Company is not proposing an item on ratification of appointment of Auditors at this AGM.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Act and relevant documents referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. 6th August, 2021. Members seeking to inspect such documents can send an email to agm.inspection@mahindra.com.
10. The Company's Registrar and Transfer Agents for its Share Registry Work (Physical and Electronic) is KFin having their office at Selenium, Tower-B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032.
11. **BOOK CLOSURE:** The Register of Members and Transfer Books of the Company will be closed from Saturday, 17th July, 2021 to Friday, 6th August, 2021 (both days inclusive) for the purpose of Dividend and AGM.

12. **DIVIDEND:** The dividend, as recommended by the Board of Directors, if approved at the AGM, would be paid subject to deduction of tax at source, as may be applicable, after 6th August, 2021, to those persons or their mandates:

- whose names appear as Beneficial Owners as at the end of the business hours on Friday, 16th July, 2021 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, 16th July, 2021 after giving effect to valid request(s) received for transmission/ transposition of shares.

13. **ELECTRONIC CREDIT OF DIVIDEND:** 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)/ National Electronic Fund Transfer (NEFT)/ 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 KFin / 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 KFin 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.

In view of the ongoing COVID-19 pandemic, shareholders are requested to ensure that their bank account details in their respective demat accounts are updated, to enable the Company to provide timely credit of dividend in their bank accounts.

In case, the Company is unable to pay the dividend to any Member by the electronic mode, due to non-availability of the details of the bank account, the Company shall upon normalisation of the postal/

courier services, dispatch the dividend warrant/demand draft to such Member by post/courier.

14. **TDS ON DIVIDEND:** Pursuant to the Income-tax Act, 1961, as amended by the Finance Act, 2020, dividend income has become taxable in the hands of shareholders with effect from 1st April, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, shareholders are requested to refer to the Finance Act, 2021 and amendments thereof. Shareholders are requested to update their Permanent Account Number ("PAN") with the Company/KFin (in case of shares held in physical mode) and depositories (in case of shares held in demat mode) on or before Saturday, 10th July, 2021.

For Resident Shareholders: Tax shall be deducted at source under section 194 of the Income-tax Act, 1961 @ 10% on the amount of Dividend declared and paid by the Company during the Financial Year ("FY") 2021-22 provided a valid PAN is provided by the shareholder. If PAN is not submitted, TDS would be deducted @ 20% as per section 206AA of the Income-tax Act, 1961.

a) For Resident Individual:

No TDS shall be deducted on the Dividend payable to a resident Individual if the total dividend to be received during FY 2021-22 does not exceed Rs. 5,000. Please note that this includes the future dividends if any which may be declared by the Board in the FY 2021-22.

Separately, in cases where the shareholder provides Form 15G (applicable to any person other than a Company or a Firm) / Form 15H (applicable to an Individual above the age of 60 years), no tax at source shall be deducted provided that the eligibility conditions are being met. Needless to say, PAN is mandatory. Members are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

b) For Resident Non-Individual:

No tax shall be deducted on the dividend payable to the following resident non-individuals where they provide relevant details and documents:

- i. **Insurance Companies:** Self declaration that it qualifies as 'Insurer' as per section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self-attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA)/ LIC/ GIC.

- ii. **Mutual Funds:** Self-declaration that it is registered with SEBI and is notified under section 10 (23D) of the Income-tax Act, 1961 along with self-attested copy of PAN card and certificate of registration with SEBI.
- iii. **Alternative Investment Fund (AIF):** Self-declaration that its income is exempt under section 10 (23FBA) of the Income-tax Act, 1961 and they are registered with SEBI as Category I or Category II AIF alongwith self-attested copy of the PAN card and certificate of AIF registration with SEBI.
- iv. **National Pension Scheme (NPS):** Self-declaration that it is exempt under section 10(44) of the Income-tax Act, 1961 along with self-attested copy of the PAN card.
- v. **Other Non-Individual shareholders:** Self-attested copy of documentary evidence supporting the exemption along with self-attested copy of PAN card.

Please note that Section 206AB has been introduced by the Finance Act, 2021 effective 1st July, 2021, whereby in case a person has not filed his/her Return of Income for each of the two preceding financial years and the aggregate of tax deducted at source in his/her case is Rs. 50,000 or more in each of these two financial years, TDS will be higher of the following:

- a) Twice the rate specified in the relevant provision of the Income-tax Act, 1961; or
- b) Twice the rate or rates in force; or
- c) The rate of five per cent.

The non-resident who does not have the permanent establishment is excluded from the scope of a "specified person" i.e. levy of higher TDS under section 206AB of Income-tax Act, 1961.

For Non-resident Shareholders: Taxes are required to be withheld in accordance with the provisions of section 195 of the Income-tax Act, 1961 at the applicable rates in force. As per the relevant provisions of section 195 of the said Act, the withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) on the amount of Dividend payable to them. In case of GDRs and Foreign Portfolio Investors ("FPI")/ Foreign Institutional Investors ("FI"), the withholding tax shall be as per the rates specified in section 196C and 196D of the Income-tax Act, 1961 respectively plus applicable surcharge and cess on the amount of Dividend payable to them.

However, as per section 90 read with section 195 of the Income-tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the shareholder,

if they are more beneficial to them. For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- In case of FPI/FII, copy of SEBI Registration certificate;
- Self-attested true copy of Tax Residency Certificate (“TRC”) obtained from the tax authorities of the country of which the shareholder is resident for the FY 2020-21;
- Self declaration in Form 10F;
- Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- Self-declaration in the format prescribed by the Company, certifying the following points:
 - i. Shareholder is and will continue to remain a tax resident of the country of its residence during the FY 2021-22;
 - ii. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
 - iii. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
 - iv. Shareholder does not have a taxable presence or a Permanent Establishment (“PE”) in India during the FY 2021-22. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
 - v. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
 - vi. Self-declaration by the shareholder regarding the satisfaction of the place of effective management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the Non-Resident shareholder.

Members may submit the aforementioned documents at <https://ris.kfintech.com/form15/> on or before Saturday, 10th July, 2021 in order to enable the Company to determine and deduct appropriate tax. No communication on the tax determination/ deduction shall be entertained post Saturday,

10th July, 2021. It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/ documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings.

The Company shall arrange to email the soft copy of TDS certificate to the Shareholders at the registered email ID in due course, post payment of the said Dividend.

An email communication informing the Shareholders regarding this change in the Income-tax Act, 1961 as well as the relevant procedure to be adopted by them to avail the applicable tax rate is being sent by the Company at the registered email IDs of the Shareholders.

15. **IEPF:** 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. 2,24,75,830 being unclaimed/unpaid dividend of the Company for the financial year ended 31st March, 2013 was transferred in September, 2020 to IEPF.

The Company paid to IEPF on 10th August, 2020, an amount of Rs. 49,07,998.95 towards dividend for the financial year ended 31st March, 2020 on such Shares which were transferred to IEPF.

Members who have not encashed the dividend warrants/demand drafts so far in respect of the unclaimed and unpaid dividends declared by the Company for the Financial Year 2013-14 and thereafter, are requested to make their claim to Kfintech well in advance of the last dates for claiming such unclaimed and unpaid dividends as specified hereunder:

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid/ unclaimed dividend
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
31 st March, 2019	7 th August, 2019	5 th September, 2026
31 st March, 2020	7 th August, 2020	6 th September, 2027

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 31st March, 2020 on the website of the Company at <https://www.mahindra.com> and also on the website of the MCA at <http://www.iepf.gov.in/>.

Shareholders are requested to note that, 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 MCA.

In accordance with the aforesaid IEPF Rules, the Company has sent individual communication to all Members whose shares are due for transfer to the IEPF Authority and whose email IDs are available, informing them to claim their unclaimed/unpaid dividend before due date to avoid such transfer of shares to IEPF Authority and has also published notice in this regard in Newspapers.

Members whose unclaimed dividends/shares are/will be transferred to the IEPF Authority can claim the same by making an online application to the IEPF Authority in the prescribed Form No. IEPF-5 by following the refund procedure as detailed on the website of IEPF Authority <http://www.iepf.gov.in/IEPF/refund.html>.

16. **NOMINATION:** 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 KFin at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

17. **TRANSFER OF SHARES PERMITTED IN DEMAT FORM ONLY:** As per Regulation 40 of the Listing Regulations as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of transmission or transposition of securities. In view of the above and to eliminate risk associated with physical shares and to avail various benefits of dematerialisation, Members are advised to dematerialise their shares held in physical form.

Members 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 KFinTech to seek guidance in the demat procedure. Members may also visit web site of depositories viz. National Securities Depository Limited at <https://nsdl.co.in/>

[faq/faq.php](https://www.mahindra.com/faq/faq.php) or Central Depository Services (India) Limited at <https://www.cdsindia.com/Investors/open-demat.html> for further understanding the demat procedure. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website <https://www.mahindra.com>.

18. **ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT:** In accordance with the MCA General Circular No. 20/2020 dated 5th May, 2020 & MCA General Circular No. 02/2021 dated 13th January, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 & Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, in view of the prevailing situation and owing to the difficulties involved in dispatching physical copies of the financial statements (including Board's Report, Auditor's Report or other documents required to be attached therewith) for the Financial Year ended 31st March, 2021 pursuant to section 136 of the Act and Notice calling the AGM pursuant to section 101 of the Act read with the Rules framed thereunder, such statements including the Notice of AGM are being sent only in electronic mode to those Members whose e-mail addresses are registered with the Company/KFinTech or the Depository Participant(s). The Company will not be dispatching physical copies of such statements and Notice of AGM to any Member.

Members are requested to register/update their email addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with KFinTech by following due procedure.

A copy of the Notice of this AGM alongwith Annual Report for the FY 2020-21 is available on the website of the Company at <https://www.mahindra.com>, website of the Stock Exchanges where the shares of the Company are listed i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of KFin at <https://evoting.kfintech.com>.

19. Members are requested to:
- intimate to KFin, 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

- e. register their PAN with their Depository Participants, in case of Shares held in dematerialised form and KFin/Company, in case of Shares held in physical form, as directed by SEBI.
20. **SCRUTINISER FOR E-VOTING:** Mr. Sachin Bhagwat, Practicing Company Secretary (Membership No. ACS 10189) and failing him Mr. Prashant Vaishampayan, Practicing Company Secretary (Membership No. FCS 4251) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
21. **SUBMISSION OF QUESTIONS / QUERIES PRIOR TO AGM:**
- For ease of conduct of AGM, members who wish to ask questions/express their views on the items of the businesses to be transacted at the meeting are requested to write to the Company's investor email-id investors@mahindra.com, at least 48 hours before the time fixed for the AGM i.e. by 3.00 p.m. (IST) on 4th August, 2021, mentioning their name, demat account number/folio number, email ID, mobile number etc. The queries may be raised precisely and in brief to enable the Company to answer the same suitably depending on the availability of time at the AGM.
 - Alternatively, Members holding shares as on the cut-off date i.e. Friday, 30th July, 2021, may also visit <https://emeetings.kfintech.com> and click on the tab "Post Your Queries" and post their queries/ views/ questions in the window provided, by mentioning their name, demat account number/ folio number, email ID and mobile number. The window shall be closed 48 hours before the time fixed for the AGM i.e. at 3.00 p.m. (IST) on 4th August, 2021.
 - Members can also post their questions during AGM through the "Ask A Question" tab, which is available in the VC/OAVM Facility as well as in the one way live webcast facility.
- The Company will, at the AGM, endeavour to address the queries received till 3.00 p.m. (IST) on 4th August, 2021 from those Members who have sent queries from their registered email IDs. Please note that Members' questions will be answered only if they continue to hold shares as on the cut-off date.
22. **SPEAKER REGISTRATION BEFORE AGM:** Members of the Company who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by visiting <https://emeetings.kfintech.com> and clicking on "Speaker Registration" during the period from Monday, 26th July, 2021 (9:00 a.m. IST) upto Wednesday, 28th July, 2021 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to speak/express their views/ask questions during the AGM provided they hold shares as on the cut-off date i.e. Friday, 30th July, 2021. The Company reserves the right to restrict the number of speakers depending on the availability of time at the AGM.
23. **INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**
- ATTENDING THE AGM:** Members will be provided with a facility to attend the AGM through video conferencing platform provided by KFin. Members are requested to login at <https://emeetings.kfintech.com> and click on the "Video Conference" tab to **join the Meeting by using the remote e-voting credentials.**
 - Please note that Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the instructions provided in Note No. 25.
 - Members may join the Meeting through Laptops, Smartphones, Tablets or iPads for better experience. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches. Members are encouraged to join the Meeting through Laptops with latest version of Google Chrome for better experience.
 - Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned at Note No. 23(a) above in the Notice, and this mode will be available throughout the proceedings of the AGM.
 - In case of any query and/or help, in respect of attending AGM through VC/OAVM mode, Members may refer to the Help & Frequently Asked Questions (FAQs) and 'AGM VC/OAVM' user manual available at the download Section of <https://evoting.kfintech.com> or contact at investors@mahindra.com, or Ms. Sheetal Doba, Manager - Corporate Registry, KFinTech at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1509 or call KFin's toll free No.: 1800-3094-001 for any further clarifications.

24. PROCEDURE FOR REMOTE E-VOTING

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 Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin on all resolutions set forth in this Notice, through remote e-voting.

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:

Information and instructions for Remote e-voting by Individual Shareholders holding shares of the Company in demat mode:

Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.

The procedure to login and access remote e-voting, as devised by the Depositories/ Depository Participant(s), is given below:

A) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. User already registered for IDeAS facility: <ol style="list-style-type: none"> I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. IV. Post successful authentication, click on "Access to e-Voting" V. You will see Company Name: "Mahindra & Mahindra Limited" on the next screen. Click on the e-Voting link available against Mahindra & Mahindra Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication 2. User not registered for IDeAS e-Services <ol style="list-style-type: none"> I. To register click on link : https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1. 3. Alternatively by directly accessing the e-Voting website of NSDL <ol style="list-style-type: none"> I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL's e-voting platform)/ through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen. IV. On successful authentication, you will enter the e-voting module of NSDL. Click on "Active E-voting Cycles / VC or OAVMs" option under E-voting. You will see Company Name: "Mahindra & Mahindra Limited" on the next screen. Click on the e-Voting link available against Mahindra & Mahindra Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.

<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Existing user who have opted for Easi / Easiest <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com and click on New System Myeasi / Login to My Easi option under Quick Login II. Enter your User ID and Password for accessing Easi / Easiest. III. You will see Company Name: "Mahindra & Mahindra Limited" on the next screen. Click on the e-Voting link available against Mahindra & Mahindra Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication. 2. User not registered for Easi/Easiest <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1. 3. Alternatively, by directly accessing the e-Voting website of CDSL <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against Mahindra & Mahindra Limited or select e-Voting service provider "KFinTech" and you will be re-directed to the e-Voting page of KFinTech to cast your vote without any further authentication.
<p>Procedure to login through demat accounts / Website of Depository Participant</p>	<ol style="list-style-type: none"> I. Individual shareholders holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL. II. An option for "e-Voting" will be available once they have successfully logged-in through their respective logins. Click on the option "e-Voting" and they will be redirected to e-Voting modules of NSDL/CDSL (as may be applicable). III. Click on the e-Voting link available against Mahindra & Mahindra Limited or select e-Voting service provider "KFinTech" and they will be re-directed to the e-Voting page of KFinTech to cast their vote without any further authentication.

Members who are unable to retrieve User ID / Password are advised to use "Forgot user ID" and "Forgot Password" option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and for all shareholders holding securities in physical mode.

- a. Member will receive an e-mail from KFin [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.kfintech.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 KFin 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., duly authorising their authorized representative(s) to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting to the Scrutiniser at his e-mail ID sbhagwats@yahoo.co.in with a copy marked to evoting@kfintech.com and to the Company at investors@mahindra.com. It should reach the Scrutiniser & the Company by email not later than Thursday, 5th August, 2021 (5:00 p.m. IST). In case if the authorized representative

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

- b. In case e-mail ID of a Member is not registered with the Company/ Depository Participant(s), then such Member is requested to register/ update their e-mail addresses with the Depository Participant (in case of Shares held in dematerialised form) and inform KFin at the email ID evoting@kfintech.com (in case of Shares held in physical form):
 - (i) Upon registration, Member will receive an e-mail from KFin which includes details of E-Voting Event Number (EVEN), USER ID and password.
 - (ii) Please follow all steps from Note No. 24 (B) (a) (i) to (xii) above to cast your vote by electronic means.

25. 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.kfintech.com> or contact at investors@mahindra.com, or Ms. Sheetal Doba, Manager - Corporate Registry, KFin at KFinTech, Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1509 or call KFin's toll free No.: 1800-3094-001 for any further clarifications.
- b. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- c. The remote e-voting period commences on Monday, 2nd August, 2021 (9:00 a.m. IST) and ends on Thursday, 5th August, 2021 (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 Friday, 30th July, 2021 may cast their votes electronically. 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.
A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- d. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on Friday, 30th July, 2021 being the cut-off date. Members are eligible to cast vote only if they are holding shares as on that date.

e. Persons holding securities in physical mode and non individual shareholders holding securities in demat mode who become Members of the Company after dispatch of AGM Notice but on or before the cut-off date for E-Voting, i.e. Friday, 30th July, 2021, 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 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.kfintech.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 KFin toll free number 1800-3094-001.

(iv) Member may send an e-mail request to evoting@kfintech.com.

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

26. VOTING AT THE AGM:

- a. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the Meeting is being held through VC/OAVM.
- b. The e-voting window shall be activated upon instructions of the Chairman of the Meeting during the AGM.
- c. E-voting during the AGM is integrated with the VC/OAVM platform and no separate login is required for the same.
- d. Only those Members/ Shareholders, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- e. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting through VC/OAVM; however, these Members are

not entitled to cast their vote again during the Meeting. A Member can opt for only single mode of voting i.e. through Remote e-voting or voting through VC/OAVM mode during the AGM.

27. The results shall be declared not later than forty-eight hours from conclusion of the Meeting which is within the time stipulated under the applicable laws. The results declared along with the Scrutiniser's Report will be placed on the website of the Company at <https://www.mahindra.com> and the website of KFin: <https://evoting.kfintech.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.

28. PROCEDURE FOR REGISTERING THE EMAIL ADDRESSES AND OBTAINING THE AGM NOTICE AND E-VOTING INSTRUCTIONS BY THE MEMBERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES (IN CASE OF MEMBERS HOLDING SHARES IN DEMAT FORM) OR WITH KFIN (IN CASE OF MEMBERS HOLDING SHARES IN PHYSICAL FORM):

- I. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
 - a. Members holding shares in demat form can get their email ID registered by contacting their respective Depository Participant.
 - b. Members holding shares in physical form may register their email address and mobile number with KFin Technologies Private Limited by sending an email request at the email ID einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate for registering their email address and receiving the AGM Notice and the e-voting instructions.
- II. To facilitate Members to receive this Notice electronically and cast their vote electronically, the Company has made special arrangements with KFin for registration of email addresses of the Members in terms of the MCA Circulars. Eligible Members who have not submitted their email address to the Company or KFin are required to provide their email address to KFin, on or before 5:00 p.m. (IST) on 30th July, 2021.

The process for registration of email address with KFin for receiving the Notice of AGM and login ID and password for e-voting is as under:

- i. Visit the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
- ii. Select the Company name viz. Mahindra & Mahindra Limited.
- iii. Enter the DP ID & Client ID/Physical Folio Number and PAN details. In the event the PAN details are not available on record for Physical Folio, Member shall enter one of the Share Certificate numbers.
- iv. Upload a self-attested copy of the PAN card for authentication. If PAN details are not available in the system, the system will prompt the Member to upload a self-attested copy of the PAN card for updation.
- v. Enter your email address and mobile number.
- vi. The system will then confirm the email address for receiving this AGM Notice.

The Members may also visit the website of the Company <https://www.mahindra.com> and click on the "email registration" and follow the registration process as guided thereafter.

Please note that in case of shareholding in dematerialised form, the updation of email address will be temporary only upto AGM.

- III. After successful submission of the email address, KFin will email a copy of this AGM Notice along with the e-voting user ID and password. In case of any queries, Members are requested to write to KFin.
- IV. Those Members who have already registered their email addresses are requested to keep their email addresses validated/updated with their DPs / KFin to enable serving of notices / documents / Annual Reports and other communications electronically to their email address in future.

29. KPRISM – Mobile service application by KFin:

Members are requested to note that KFin has launched a mobile application – KPRISM and a website <https://kprism.kfintech.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 KFin, 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.kfintech.com/app/> to download the mobile application.

30. 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 website of KFin at <https://emeetings.kfintech.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.

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, 28th May, 2021

Additional Information with respect to Item No. 4**ITEM NO. 4:****Proposal:**

Mr. Vijay Kumar Sharma (DIN: 02449088), the Non-Executive Non-Independent Director of the Company representing Life Insurance Corporation of India is liable to retire by rotation and being eligible, has offered himself for re-appointment. Mr. Vijay Kumar Sharma was first appointed as a Director on the Board of the Company with effect from 14th November, 2018.

Profile:

Mr. Vijay Kumar Sharma has completed 62 years of age. Mr. Sharma is a post-graduate (M.Sc.) from Patna University. He 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. 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.

Directorships and Committee positions:

Mr. Sharma is Non-Executive Non-Independent Director of Mahindra & Mahindra Limited, Director of Tata Steel Limited and Ambuja Cement Foundation, Independent Director of Reliance Power Limited and NURECA Limited, Additional Independent Director of Vidarbha Industries Power Limited and Chairman of Indian Commodity Exchange Limited.

Mr. Vijay Kumar Sharma 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	Strategic Investment Committee	Member
2.	Tata Steel Limited	Stakeholders Relationship Committee	Chairman
		Safety Health and Environment Committee	Member
3.	Indian Commodity Exchange Limited	Advisory Committee	Chairman
		Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Risk Management Committee	Member
		Member and Core Settlement Guarantee Fund Committee	Member
		Standing Committee on Technology	Member
4.	Reliance Power Limited	Regulatory Oversight Committee	Member
		Nomination & Remuneration Committee	Chairman
		Stakeholders Relationship Committee	Chairman
		Audit Committee	Member
		CSR Committee	Member
5.	Vidarbha Industries Power Limited	Risk Management Committee	Member
		Audit Committee	Chairman
		CSR Committee	Chairman
		Nomination & Remuneration Committee	Member

Attendance at Board Meetings:

During the year 1st April, 2020 to 31st March, 2021, 7 Board Meetings of the Company were held, and Mr. Vijay Kumar Sharma had attended all Meetings.

Remuneration:

Mr. Vijay Kumar Sharma is entitled to sitting fees for attending the Meetings of the Board of Directors and Committees thereof. In addition, he would be entitled to commission which is paid to LIC, 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. Vijay Kumar Sharma during the Financial Year 2020-21 is Rs. 9.50 lakhs. The commission paid to LIC on behalf of Mr. Vijay Kumar Sharma for the Financial Year 2019-20 is Rs. 27.43 lakhs. For Financial Year 2020-21, Commission payable to LIC on behalf of Mr. Vijay Kumar Sharma will be Rs. 30 lakhs.

Other Information:

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

Mr. 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.

Brief resume of Mr. Sharma, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding in the Company, the number of Meetings of the Board attended during the year, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are stated herein, and are also provided in the Corporate Governance Report forming part of the Annual Report.

Save and except Mr. 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. 4 of the Notice. Mr. Sharma is not related to any other Director / KMP of the Company.

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

ITEM NO. 5:

Proposal:

Mr. CP Gurnani (DIN: 00018234), the Non-Executive Non-Independent Director of the Company is liable to retire by rotation and being eligible, has offered himself for re-appointment. Mr. CP Gurnani was first appointed as a Director on the Board of the Company with effect from 1st April, 2020.

Profile:

Mr. CP Gurnani has completed 62 years of age. Mr. CP Gurnani (popularly known as 'CP' within his peer group), is the Managing Director and Chief Executive Officer of Tech Mahindra Limited - a USD 5.2 billion digital transformation, consulting and business re-engineering services and solutions provider with 124,250+ professionals across 90 countries, helping 988 global customers including Fortune 500 companies.

An accomplished business leader with extensive experience in international business development, start-ups and turnarounds, joint ventures, mergers and acquisitions, Mr. CP Gurnani played a pivotal role in Tech Mahindra's transformation journey, and one of the biggest turnarounds of Indian Corporate History - the acquisition and merger of Satyam.

Living by the credo, 'don't work hard, work smart', Mr. CP Gurnani brings an inimitable leadership style combined with a laser-sharp focus on customer experience, which has helped Tech Mahindra emerge as one of the leading global digital transformation providers.

He strongly believes that one just cannot ride the growth path with resources that are out of sync with market dynamics. One of his many noticeable achievements in the past year has been an ambitious, company-wide initiative aimed at retraining Tech Mahindra employees to ensure they have the skills and knowledge to remain competitive and survive the age of digital transformation.

In a career spanning 40+ years, Mr. CP Gurnani has held several leading positions with Hewlett Packard Limited, Perot Systems (India) Limited and HCL Corporation Limited. Mr. CP Gurnani has also served as a Chairman of NASSCOM for the year 2016-2017.

He is an ardent supporter of Individual Social Responsibility, and often prods people to invest their time towards betterment of humanity and society, at large. He is on the Board of Tech Mahindra Foundation that was launched in 2007 to help the underprivileged children. He also founded 'Titliyan', an NGO that spearheads spreading quality education and developing life and social skills of more than 240 underprivileged children.

A chemical engineering graduate from the National Institute of Technology, Rourkela, he is a distinguished and active alumnus of the Institute. Mr. CP Gurnani has also been felicitated with an honorary Doctorate degree by Veer Surendra Sai University of Technology and Sharda University. Mr. CP Gurnani has also been featured in a Harvard Case Study on 'Tech Mahindra and the Acquisition of Satyam Computers'.

He is the recipient of many prestigious awards including 'Inspiring CEO 2021' recognition by The Economic Times, Technology Icon of India 2020 recognition by VARINDIA Brandbook, Business Today 'Best CEO' Awards 2019 (IT & ITES category), 'Corporate Leader of the Year' Award - 14th (I-ACE) Awards 2018, Gold Winner in the 'CEO of the Year' for his organization's wide reskilling initiative, Asia One Global Indian of the Year - Technology' in 2016, Listed among the top 100 global CEOs as part of The Wall Street Journal CEO Council 2016, 'Best CEO of the Year' at the Forbes India Leadership Awards in 2015, Business Standard 'CEO of the Year' in 2014, CNBC Asia's India Business Leader of the Year in 2014, Dataquest 'IT person of the Year' in 2013 and The Ernst and Young 'Entrepreneur of the Year' in 2013.

Directorships and Committee positions:

He is on the Board of Mahindra & Mahindra Limited. His passion for education is resonated in the various honorary positions he holds - He is on the board of Mahindra Educational Institutions (MEI) & a member of the Board of Management of Mahindra University, a private university promoted by MEI to educate future citizens for and of a better world. He is also the Chairman of IIM Nagpur and the Founding Trustee of Plaksha University.

Mr. Gurnani is also on the Boards of Pininfarina S.p.A and T-Hub Foundation.

Mr. CP Gurnani is a Chairman/Member of the following Board Committees:

Name of the Company	Name of the Committee	Position held
Tech Mahindra Limited	CSR Committee	Chairman
	Stakeholders Relationship Committee	Member
	Investment Committee	Member
	Securities Allotment Committee	Member

Attendance at Board Meetings:

During the year 1st April, 2020 to 31st March, 2021, 7 Board Meetings of the Company were held, and Mr. CP Gurnani had attended all Meetings.

Remuneration:

Mr. CP Gurnani being a Whole-time Director of Tech Mahindra Limited, has waived his right to receive sitting fees for attending the Meetings of the Board of Directors or any Committee thereof on which he may be appointed from time to time or any other remuneration payable to the Non-Executive Directors of the Company, effective from 1st April, 2020 being the date of his appointment as a Director on the Board of Directors of the Company, during his tenure as a Non-Executive Non-Independent Director of the Company.

Other Information

Mr. CP Gurnani holds 2,290 Ordinary (Equity) Shares in the Company.

Mr. CP Gurnani 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.

Brief resume of Mr. CP Gurnani, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/ chairmanships of Board Committees, shareholding in the Company, the number of Meetings of the Board attended during the year, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are stated herein, and are also provided in the Corporate Governance Report forming part of the Annual Report.

Save and except Mr. CP Gurnani, 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. 5 of the Notice. Mr. Gurnani is not related to any other Director / KMP of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 5 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. 6:

The Board of Directors, at its Meeting held on 28th May, 2021, 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, 2022, at a remuneration of Rs. 8,50,000 (Rupees Eight Lakhs Fifty Thousand 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. 6 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, 2022.

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. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Members.

ITEM NOS. 7 and 8:

Proposal:

The Board of Directors of the Company, pursuant to the recommendation of the Governance, Nomination and Remuneration Committee ("GNRC") has proposed to the Members of the Company, the appointment of Ms. Nisaba Godrej (DIN: 00591503) and Mr. Muthiah Murugappan (DIN: 07858587) as Independent Directors on the Board of the Company, not liable to retire by rotation, who shall hold office for a term of 5 (five) consecutive years commencing from 8th August, 2020 to 7th August, 2025.

The Company has received notice in writing from a Member under section 160 of the Companies Act, 2013 ("the Act") proposing the candidature of Ms. Nisaba Godrej and Mr. Muthiah Murugappan for the office of Director of the Company.

Process & Basis of Appointment:

The GNRC evaluated profiles of various candidates as certain Independent Directors were reaching end of their tenure.

The GNRC had identified skills, expertise and competencies required by the Board for the effective functioning of the Company. The GNRC with a view to further strengthen the

competencies of the Board and after considering criteria such as qualifications, skillsets, experience, independence, knowledge, ability to devote sufficient time and attention to the professional obligations of an Independent Director, shortlisted profiles of select candidates from a range of backgrounds including Corporate Professionals, Consultants and Industrialist.

The process of shortlisting and selection of the new Independent Directors was carried out and concluded by GNRC members who were Independent Directors and not considered interested in such proposals.

From the shortlisted candidates, the GNRC selected and recommended to the Board, the appointment of Ms. Nisaba Godrej and Mr. Muthiah Murugappan as Independent Directors of the Company taking the following factors into account:

- (i) Need for Next-Generation Directors as they impact both content and dynamics of boardroom debate;
- (ii) Enhancement of the age and gender diversity of the Board which will put the Board in an elite league with three women Independent Directors serving on it;
- (iii) Adherence to the highest level of Corporate Governance in letter and spirit by the Independent Directors;
- (iv) The valuable Industrial experience brought to the Board by the new Independent Directors:
 - Ms. Nisaba Godrej, Chairperson and Managing Director of Godrej Consumer Products Limited (GCPL) has been a key architect of GCPL's strategy and transformation in the last decade;
 - Mr. Muthiah Murugappan, heads the Nutraceuticals Business of Murugappa Group flagship - EID Parry India Limited and has been working over a decade with startups and Micro VC funds (as an angel investor/LP) in the areas of SaaS, Ecommerce, Deep Tech & Consumer goods.

The appointment of the two new Independent Directors of the Company is in line with the requirements of its Policy on "Appointment of Directors and Senior Management and Succession Planning for orderly succession to the Board and Senior Management".

The skillsets possessed by Ms. Nisaba Godrej and Mr. Muthiah Murugappan are mentioned in the Corporate Governance section of the Annual Report of the Company for the financial year ended 31st March, 2021.

Profile:

Brief details of Ms. Nisaba Godrej and Mr. Muthiah Murugappan are mentioned below:

- **Ms. Nisaba Godrej:**

Ms. Nisaba Godrej has completed 43 years of age. Ms. Nisaba Godrej has a BSc degree from The Wharton School at the University of Pennsylvania and an MBA from Harvard Business School. She is passionate about girls' education, the human mind, trekking and equestrian sports.

Ms. Nisaba Godrej is the Chairperson and Managing Director of Godrej Consumer Products Limited ("GCPL"). She has been a key architect of GCPL's strategy and transformation in the last decade. In 2007, she initiated and led Project Leapfrog, which created a playbook for GCPL to accelerate domestic organic growth through innovation and consolidation, and to become a more global company by investing in emerging markets outside of India.

Over the last ten years, GCPL's market capitalisation has increased twenty-fold and GCPL has developed a very strong, engaged and ambitious team, and is consistently ranked as a great place to work.

She has also institutionalised design driven thinking and directly leads product development. Ms. Nisaba Godrej is passionate about identifying and developing the talent required for the Godrej Group's future growth.

Through her oversight of the Group HR function for Godrej Industries and associate companies, she has made Godrej a more meritocratic and highly performance driven organisation, while keeping the Group's values front and center.

She has also spearheaded the Group's Good & Green agenda to drive more inclusive and sustainable growth. Her previous assignments within the Godrej Group have included the successful turnaround of Godrej Agrovet and the creation of a Group strategy function to oversee the Group's portfolio.

- **Mr. Muthiah Murugappan:**

Mr. Muthiah has completed 37 years of age. Mr. Muthiah Murugappan started his career in August, 2004 with Indian FMCG major - CavinKare Private Limited, where initially he served as an Area Sales Manager in the Western and Southern regions and has worked in the States of Maharashtra, Madhya Pradesh, Chattisgarh and Andhra Pradesh. He subsequently moved into a Brand Management role and served as a Product Manager for the International Business Unit, covering the Gulf Cooperation Council and ASEAN regions.

In July, 2007, he joined Carborundum Universal Limited ("CUMI") as an Exports Manager. CUMI is an integral part of the family business conglomerate – The Murugappa Group of which he is a fifth-generation Member. He subsequently moved to the US to handle CUMI's trading operations in North America and in 2010 returned to India to head its Wear Ceramics business where he served till July, 2013.

He then decided to take a sabbatical to pursue a Full Time MBA at the London Business School starting fall of 2013. He then returned to The Murugappa Group to head the Nutraceuticals Business of Group flagship – EID Parry India Limited.

Mr. Muthiah has a B. Sc. in Management Sciences from the University of Warwick (Warwick Business School).

Directorships and Committee positions:

• **Ms. Nisaba Godrej:**

In addition to GCPL, Ms. Nisaba Godrej is a Director on the Board of Godrej Agrovet Limited, Godrej Seeds and Genetics Limited and Innovia Multiventures Private Limited, Independent Director on the Board of VIP Industries Limited, Mahindra & Mahindra Limited and is the Chairperson of Teach For India.

Ms. Nisaba Godrej is a Chairperson/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position held
1.	Godrej Consumer Products Limited	Sustainability Committee	Chairperson
		Management Committee	Chairperson
		Corporate Social Responsibility Committee	Member
		Risk Management Committee	Member
2.	Godrej Agrovet Limited	Nomination & Remuneration Committee	Member
		Managing Committee	Member
3.	Godrej Seeds and Genetics Limited	Corporate Social Responsibility Committee	Member
4.	VIP Industries Limited	Nomination & Remuneration Committee	Member
5.	Mahindra & Mahindra Limited	Governance, Nomination & Remuneration Committee	Member

• **Mr. Muthiah Murugappan:**

Mr. Muthiah is a Director on the Board of Murugappa Morgan Thermal Ceramics Limited, US Nutraceuticals Inc., Alimtec S.A., CUMI (Australia) Pty. Ltd., Nominee Director on the Board of Algavista Greentech Private Limited and Independent Director on the Board of Mahindra & Mahindra Limited.

Mr. Muthiah is a Member of the Corporate Social Responsibility Committee of the Company.

Attendance at Board Meetings:

After their appointment on the Board as Additional Directors on 8th August, 2020, 3 Board Meetings of the Company were held till 31st March 2021, and both Ms. Nisaba Godrej and Mr. Muthiah Murugappan had attended all the Meetings.

Remuneration:

Ms. Nisaba Godrej and Mr. Muthiah Murugappan are 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. The sitting fees paid to Ms. Nisaba Godrej during the Financial Year 2020-21 is Rs. 4 lakhs. For Financial Year 2020-21, Commission payable to Ms. Nisaba Godrej will be Rs. 19.40 lakhs. The sitting fees paid to Mr. Muthiah Murugappan during the Financial Year 2020-21 is Rs. 3 lakhs. For Financial Year 2020-21, Commission payable to Mr. Muthiah Murugappan will be Rs. 17.46 lakhs.

Other Information:

Ms. Nisaba Godrej and Mr. Muthiah Murugappan do not hold any Ordinary (Equity) Shares in the Company.

Ms. Nisaba Godrej and Mr. Muthiah Murugappan are not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as a Director. The Company has received declarations from Ms. Nisaba Godrej and Mr. Muthiah Murugappan stating that they meet with the criteria of independence as prescribed under sub-section (6) of section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Ms. Nisaba Godrej and Mr. Muthiah Murugappan 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, Ms. Nisaba Godrej and Mr. Muthiah Murugappan, fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Ms. Nisaba Godrej and Mr. Muthiah Murugappan are independent of the management.

The Articles of Association and copies of the draft letters of appointment of Ms. Nisaba Godrej and Mr. Muthiah Murugappan setting out terms and conditions of appointment are available for inspection by the Members in electronic form as per the instructions provided in Note No. 9 of this Notice.

The Board is of the view that Ms. Nisaba Godrej and Mr. Muthiah Murugappan'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 Ms. Nisaba Godrej and Mr. Muthiah Murugappan, 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. 7 and 8 of the Notice. Ms. Nisaba Godrej and Mr. Muthiah Murugappan are neither related to each other nor are they related to any other Director / KMP of the Company.

The Board recommends the Ordinary Resolutions set out at Item Nos. 7 and 8 of the Notice for approval of the Members.

ITEM NO. 9:**Proposal:**

Mr. T. N. Manoharan was appointed as an Independent Director 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 by the Shareholders at the 71st Annual General Meeting ("AGM") of the Company held on 4th August, 2017. He holds office as an Independent Director of the Company with effect from 11th November, 2016 upto 10th November, 2021 ("first term") in line with the explanation to sections 149(10) and 149(11) of the Act.

The Governance, Nomination and Remuneration Committee ("GNRC") at its Meeting held on 22nd May, 2021 on the basis of the outcome of performance evaluation of Mr. T. N. Manoharan acknowledged his:

- Valuable insights brought in as the Chairman of Audit Committee on account of his expertise in accounting and financial management,
- 100% attendance at all Board & Audit Committee meetings held during his first term,

and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by Mr. Manoharan during his tenure, has recommended to the Board that continued association of Mr. Manoharan as Independent Director of the Company would be beneficial to the Company.

The performance evaluation of Independent Director was 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.

Based on the above and the performance evaluation of Independent Director, the Board recommends the re-appointment of Mr. Manoharan (DIN: 01186248), as Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years on the Board of the Company commencing from 11th November, 2021 to 10th November, 2026.

Profile:

Mr. Manoharan has completed 65 years of age. Mr. T. N. Manoharan was born in a Freedom Fighter's family with agriculture as the occupation. He is a Chartered Accountant of 38 years of standing. He is a law graduate. He has authored books for professionals and students on Indian tax law. He was the President of the Institute of Chartered Accountants of India during the year 2006-07.

He was part of the Government nominated Board for revival of Satyam Computer Services Limited from January, 2009 to July, 2012. He served as Chairman of the Committee on Accounting Standards and Taxation of Confederation of Indian Industry during 2009-2011.

He served as the Chairman of Canara Bank for five years upto August, 2020. Mr. Manoharan is currently a Member of the RBI Standing External Advisory Committee for evaluating applications for Universal Banks and Small Finance Banks.

Mr. Manoharan is recipient of several awards including the CNN IBN "Indian of the Year 2009" award from the Hon'ble Prime Minister of India in December, 2009 and conferred the civilian honour "Padma Shri" award by the President of India on 7th April, 2010.

Directorships and Committee positions:

Mr. Manoharan is Independent Director on the Board of Mahindra & Mahindra Limited and Tech Mahindra Limited and Director on the Board of Tech Mahindra (Americas) Inc.

Mr. Manoharan 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	Audit Committee	Chairman
		Risk Management Committee	Member
		Strategic Investment Committee	Member
2.	Tech Mahindra Limited	Audit Committee	Chairman
		Nomination & Remuneration Committee	Chairman
		Risk Management Committee	Member
		Securities Allotment Committee	Member

Attendance at Board Meetings:

During the year 1st April, 2020 to 31st March, 2021, 7 Board Meetings of the Company were held, and Mr. Manoharan had attended all the Meetings.

Remuneration:

Mr. Manoharan 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. Manoharan during the Financial Year 2020-21 is Rs. 14.50 lakhs. The commission paid to him for the Financial Year 2019-20 is Rs. 36 lakhs. For Financial Year 2020-21, Commission payable to Mr. Manoharan will be Rs. 36 lakhs.

Copy of the draft letter of re-appointment of Mr. T. N. Manoharan setting out terms and conditions of re-appointment are available for inspection by the Members in electronic form as per the instructions provided in the Note No. 9 of this Notice.

Other Information:

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

Mr. T. N. Manoharan is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director.

The Company has received declaration from Mr. T. N. Manoharan stating that he meets the criteria of independence as prescribed under sub-section (6) of section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Mr. T. N. Manoharan 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.

In the opinion of the Board, Mr. T. N. Manoharan fulfils the conditions for appointment as Independent Director as specified in the Act and the Listing Regulations. Mr. T. N. Manoharan is independent of the management.

The Board is of the view that Mr. T. N. Manoharan's knowledge and experience will continue to be of immense benefit and value to the Company and pursuant to the recommendation of the GNRC, recommends his re-appointment as an Independent Director to the Members.

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

Save and except Mr. Manoharan, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 9 of the Notice. Mr. Manoharan is not related to any other Director / KMP of the Company.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for approval of the Members.

ITEM NO. 10

Proposal:

Mr. Anand G. Mahindra is a Director liable to retire by rotation. At the 71st Annual General Meeting of the Company, based on the recommendations of the Board of Directors and the Governance, Nomination and Remuneration Committee of the Board ("GNRC"), the Company had appointed Mr. Anand G. Mahindra (DIN: 00004695) as Executive Chairman of the Company for a period of 5 (five) years with effect from 12th November, 2016 upto and including 11th November, 2021.

The GNRC and Board of Directors of the Company at their meetings held on 22nd May, 2021 and 28th May, 2021 respectively, noted that upon completion of his tenure as Executive Chairman, Mr. Anand G. Mahindra will transition to the role of Non-Executive Chairman of the Company with effect from 12th November, 2021. This transition will be in line with the requirement of Regulation 17(1B) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As Non-Executive Chairman, Mr. Anand Mahindra will serve as mentor and sounding board for the Managing Director and Senior Management especially in the areas of strategic planning, risk mitigation and external interface. He will continue to play an important role in epitomising and building Brand Mahindra. He will be available to provide feedback and counsel to the Managing Director and Senior Management on key issues facing the Company.

The Board of Directors of the Company pursuant to the recommendation of the GNRC and subject to the approval of the Members at the ensuing General Meeting of the Company, approved payment of remuneration to Mr. Anand G. Mahindra, as Non-Executive Chairman of the Company for a period of 5 (five) years with effect from 12th November, 2021, as under:

1) Total Remuneration of Rs. 5,00,00,000 per annum split as under:

- (a) Remuneration of Rs. 2,50,00,000 per annum by way of monthly payment and
- (b) Commission of Rs. 2,50,00,000 per annum.

2) Sitting Fees:

In addition to the above, Mr. Anand G. Mahindra shall be entitled to payment of sitting fees for attending the meetings of the Board of Directors or any Committee thereof, as approved by the Board of Directors for Non-Executive Directors of the Company.

3) Reimbursements and Benefits:

In addition to the above, Mr. Anand G. Mahindra shall be entitled to:

- Reimbursement of expenses actually and properly incurred in the course of business including travel, stay and entertainment, telephone and mobile, connectivity charges as per the Company's policy and
- Such other benefits and facilities in accordance with the Company's policy not exceeding 100% of the Total Remuneration per annum mentioned at point 1 above.

The above remuneration will be paid to Mr. Anand G. Mahindra even if it exceeds one percent of the net profits of the Company in accordance with sections 197, 198 of the Act, including any statutory modification(s) or re-enactment(s) thereof and notwithstanding the limits approved by the Members of the Company for payment of remuneration to Non-Executive Directors of the Company from time to time.

Where in any financial year during his directorship, the Company has no profits or its profits are inadequate, the Company may pay the above remuneration to Mr. Anand G. Mahindra, Non-Executive Chairman of the Company as the minimum remuneration for a period not exceeding 3 (three) years or such other period as may be statutorily permitted subject to receipt of the requisite approvals, if any.

Further, pursuant to Regulation 17(6)(ca) of the Listing Regulations, approval of the Shareholders of the Company is also being sought for payment of above remuneration to Mr. Anand G. Mahindra, Non-Executive Chairman of the Company in the eventuality of it exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors for the Financial Year 2021-22.

The Company will provide Mr. Anand G. Mahindra with a full-fledged office including staff, appropriate security etc., the expense of which will be borne by the Company.

As approved by the Shareholders of the Company at the 71st Annual General Meeting of the Company held on 4th August, 2017, Mr. Anand G. Mahindra would be entitled to the Benefits under the Special Post Retirement Benefit Scheme.

Profile:

Mr. Mahindra has completed 66 years of age. Mr. Mahindra graduated with Honours (Magna cum laude) from Harvard College, Cambridge, Massachusetts, in 1977. In 1981, he secured an MBA degree from the Harvard Business School, Boston, Massachusetts. He returned to India that year and joined erstwhile Mahindra Ugine Steel Company Limited (MUSCO) which was, at that time, the country's foremost producer of specialty steels as Executive Assistant to the Finance Director. In 1989, he was appointed Deputy Managing Director and President of MUSCO. During his stint at MUSCO, he initiated the Mahindra Group's diversification into the new business areas of real estate development and hospitality management.

Mr. Mahindra was first appointed as a Director on the Board of the Company on 23rd November, 1989. He then took over as Deputy Managing Director of the Company in 1991 at a time when the turnover was US\$ 177 million. He initiated a comprehensive change programme to make the Company an efficient and aggressive competitor in the new liberalized economic environment in India.

In April 1997, he was appointed as Managing Director of Mahindra & Mahindra Limited and in January 2001 given the additional responsibility of Vice Chairman. In August 2012, he was appointed as Chairman and designated as Chairman & Managing Director of Mahindra & Mahindra Limited. In November, 2016, Mr. Mahindra was re-designated as Executive Chairman of Mahindra & Mahindra Limited.

During his tenure, Mahindra has also grown inorganically, seizing opportunities across the globe with acquisitions such as Swaraj Tractors, Reva Electric Car Company, Satyam Computer Services, Peugeot Motorcycles, Holiday Club Resorts, SOFGEN Holdings Limited, Lightbridge Communications Corporation and Pininfarina S.p.A. amongst others.

India Inc. Leader

Mr. Mahindra is the co-founder of the Harvard Business School Association of India, an association dedicated to the promotion of professional management in India.

He was a co-promoter of Kotak Mahindra Finance Limited, which was converted into the Kotak Mahindra Bank in 2003. It is one of foremost private sector banks in India today. As a leading industry figure, he has served as President of the Confederation of Indian Industry in 2003- 04 and has also been President of the Automotive Research Association of India (ARAI). He also served on the Boards of the National Stock Exchange of India and the National Council of Applied Economic Research, as Chairman of the Governing Council of the National Institute of Design and the India Design Council, and as a member of the Council of Scientific & Industrial Research.

Recognition

Mr. Mahindra continues to receive several honours, which are:

International Honours:

Featured in Barron's List of Top 30 CEOs worldwide (2016), Appointed Chevalier de l'Ordre national la Légion d'Honneur (Knight in the National Order of the Legion of Honour) by the President of the French Republic (March, 2016), First Indian recipient of the Harvard Medal by the Harvard Alumni Association (2014), Sustainable Development Leadership Award from The Energy and Resources Institute (2014), Knighted as 'Grand Officer of the Order of the Star of Italy', a civilian award of State (2013), Global Leadership Award by the US-India Business Council (2012), Business Courage Award by Asia Business Leadership Forum (2012), Best Transformational Leader Award by the Asian Centre for Corporate Governance & Sustainability (2012), Featured in Asia's 25 most powerful business people by Fortune magazine (2011) and Lloyds Banking Group Business Leader of the Year Award at The Asian Awards (2011).

Indian Honours:

Civilian Honour - Padma Bhushan, 2020, 'Disruptor Personality of the Year Award' by Bloomberg TV India (2016), 'Social Media Person of the Year' by the Internet and Mobile Association of India (2016), Conferred the degree of Doctor of Science (Honoris Causa) by the Indian Institute of Technology, Bombay (2015), Business Today CEO of the Year (2014), 'Special Recognition for Creating a True Global Indian MNC' at India's Best Market Analyst Award by Zee Business (2013), Forbes India Leadership Awards 'Entrepreneur for the Year' (2013), Business Leader of the Year by NDTV (2012), JRD Tata Corporate Leadership Award from All India Management Association (2011), IMC Juran Quality Medal by IMC Ramkrishna Bajaj National Quality Award Trust (2010), CNBC TV18 Outstanding Business Leader of the Year (2009), Business Leader of the Year by Economic Times (2009), Ernst & Young Entrepreneur of the Year India Award (2009) and an Indian of the Year Award by NDTV (2009).

Directorships and Committee positions:

Mr. Mahindra is an Executive Chairman of Mahindra & Mahindra Limited, Chairman of Tech Mahindra Limited and Classic Legends Private Limited, and Director of Mahindra Holdings Limited, Prudential Management & Services Private Limited, The Mahindra United World College of India, Tech Mahindra Foundation, Araku Originals Private Limited, Naandi Community Water Services Private Limited, Breach Candy Hospital Trust and Invest India.

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

Name of the Company	Name of the Committee	Position held
Mahindra & Mahindra Limited	Strategic Investment Committee	Chairman
	Loans & Investment Committee	Chairman
	Sale of Assets Committee	Chairman
	Corporate Social Responsibility Committee	Member
	Stakeholders Relationship Committee	Member

Remuneration:

The remuneration paid to Mr. Mahindra during the Financial Year 2020-21 is Rs. 885.91 lakhs.

Attendance at Board Meetings:

During the year 1st April, 2020 to 31st March, 2021, 7 Board Meetings of the Company were held, and Mr. Anand Mahindra had attended all Meetings.

Pursuant to the applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V of the Act and Listing Regulations, the payment of remuneration to Mr. Anand G. Mahindra is being placed before the Members at the Annual General Meeting for their approval by way of Special Resolution.

Information as required under Schedule V to the Companies Act, 2013:

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

I. General Information:

(i) Nature of Industry:

The Company is, inter alia, in the business of manufacture of different range of automotive vehicles, agricultural tractors, implements, industrial engines, etc.

(ii) Date or expected date of commencement of commercial production:

The Company was incorporated on 2nd October, 1945 and started assembly of jeep type vehicles in the year 1949.

(iii) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:

Not Applicable.

(iv) Financial performance based on given indicators – as per audited financial results for the year ended 31st March, 2021:

Particulars	Rs. in crores
Gross Turnover & Other Income	46,262.29
Net profit as per Statement of Profit & Loss (After Tax)	268.66
Computation of Net Profit in accordance with section 198 of the Companies Act, 2013	4,935.98
Net Worth	34,501.92

(v) Foreign investments or collaborators, if any:

Not Applicable.

II. Information about the appointee:

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

(ii) Past remuneration during the financial year ended 31st March, 2021: Rs. 885.91 lakhs which includes the value of perquisites of Rs. 3.39 lakhs

(iii) Recognition or awards: Refer profile Section stated above

(iv) Job Profile and his suitability:

Mr. Anand G. Mahindra (DIN: 00004695) will transition to the role of Non-Executive Chairman of the Company with effect from 12th November, 2021. Mr. Anand G. Mahindra was first inducted on the Board of the Company on 23rd November, 1989. He took over as Managing Director of the Company in April, 1997. In August, 2012, he was appointed as Chairman and designated as Chairman & Managing Director of Mahindra & Mahindra Limited. In November, 2016, Mr. Mahindra was re-designated as Executive Chairman of Mahindra & Mahindra Limited. Taking into consideration his qualification and expertise, Mr. Anand G. Mahindra is best suited for the responsibility as a Non-Executive Chairman.

As Non-Executive Chairman, Mr. Anand Mahindra will serve as mentor and sounding board for the Managing Director and Senior Management especially in the areas of strategic planning, risk mitigation and external interface. He will continue to play an important role in epitomising and building Brand Mahindra. He will be available to provide feedback and counsel to the Managing Director and Senior Management on key issues facing the Company.

(v) Remuneration proposed:

The remuneration proposed to be paid to Mr. Anand G. Mahindra as a Non-Executive Chairman with effect from 12th November, 2021 for a period of 5 (Five) years is given below:

1) Total Remuneration of Rs. 5,00,00,000 per annum split as under:

- (a) Remuneration of Rs. 2,50,00,000 per annum by way of monthly payment and
- (b) Commission of Rs. 2,50,00,000 per annum.

2) Sitting Fees:

In addition to the above, Mr. Anand G. Mahindra shall be entitled to payment of sitting fees for attending the meetings of the Board of Directors or any Committee thereof, as approved by the Board of Directors for Non-Executive Directors of the Company.

3) Reimbursements and Benefits:

In addition to the above, Mr. Anand G. Mahindra shall be entitled to:

- Reimbursement of expenses actually and properly incurred in the course of business including travel, stay and entertainment, telephone and mobile, connectivity charges as per the Company's policy and
- Such other benefits and facilities in accordance with the Company's policy not exceeding 100% of the Total Remuneration per annum mentioned at point 1 above.

Mr. Mahindra, being the promoter, is not entitled to any stock options of the Company.

(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

Taking into consideration the size of the Company, the profile of Mr. Anand G. Mahindra, the responsibilities to be shouldered by him and the industry benchmarks, the remuneration proposed to be paid to the Non-Executive Chairman is commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.

(vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other directors, if any:

Besides the remuneration proposed to be paid to him, Mr. Anand G. Mahindra does not have any other pecuniary relationship with the Company or relationship with the managerial personnel or other directors.

III. Other Information:**(i) Reasons of loss or inadequate profits:**

Not applicable, as the Company has posted a net profit after tax of Rs. 268.66 crores during the year ended 31st March, 2021.

(ii) Steps taken or proposed to be taken for improvement and**(iii) Expected increase in productivity and profits in measurable terms:**

Not applicable as the Company has adequate profits.

IV. Disclosures:

The information and Disclosures of the remuneration package of all Directors have been mentioned in the Annual Report in the Corporate Governance Report Section under the Heading "Remuneration to Directors".

The conditions set out in Part-I of Schedule V to the Act as also conditions set out under sub-section 3 of section 196 of the Act are not applicable to a Non-Executive Director.

Other Information

Mr. Mahindra holds 14,30,008 Ordinary (Equity) Shares in the Company.

Brief resume of Mr. Anand G. Mahindra, nature of his expertise in specific functional areas, disclosure of relationships between directors inter-se, name of listed entities and other companies in which he holds directorships and memberships/chairmanships of Board Committees, shareholding in the Company, the number of Meetings of the Board attended during the year, as stipulated under Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India are stated herein.

The Board is of the view that Mr. Anand G. Mahindra's knowledge and experience will continue to be of immense benefit and value to the Company and pursuant to the recommendation of the GNRC, recommends his remuneration as a Non-Executive Chairman of the Company for a period of 5 (five) years with effect from 12th November, 2021 to the Members.

Save and except Mr. Mahindra, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel ("KMP") of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 10 of the Notice. Mr. Mahindra is not related to any other Director / KMP of the Company.

The Board recommends the Special Resolution set out at Item No. 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>

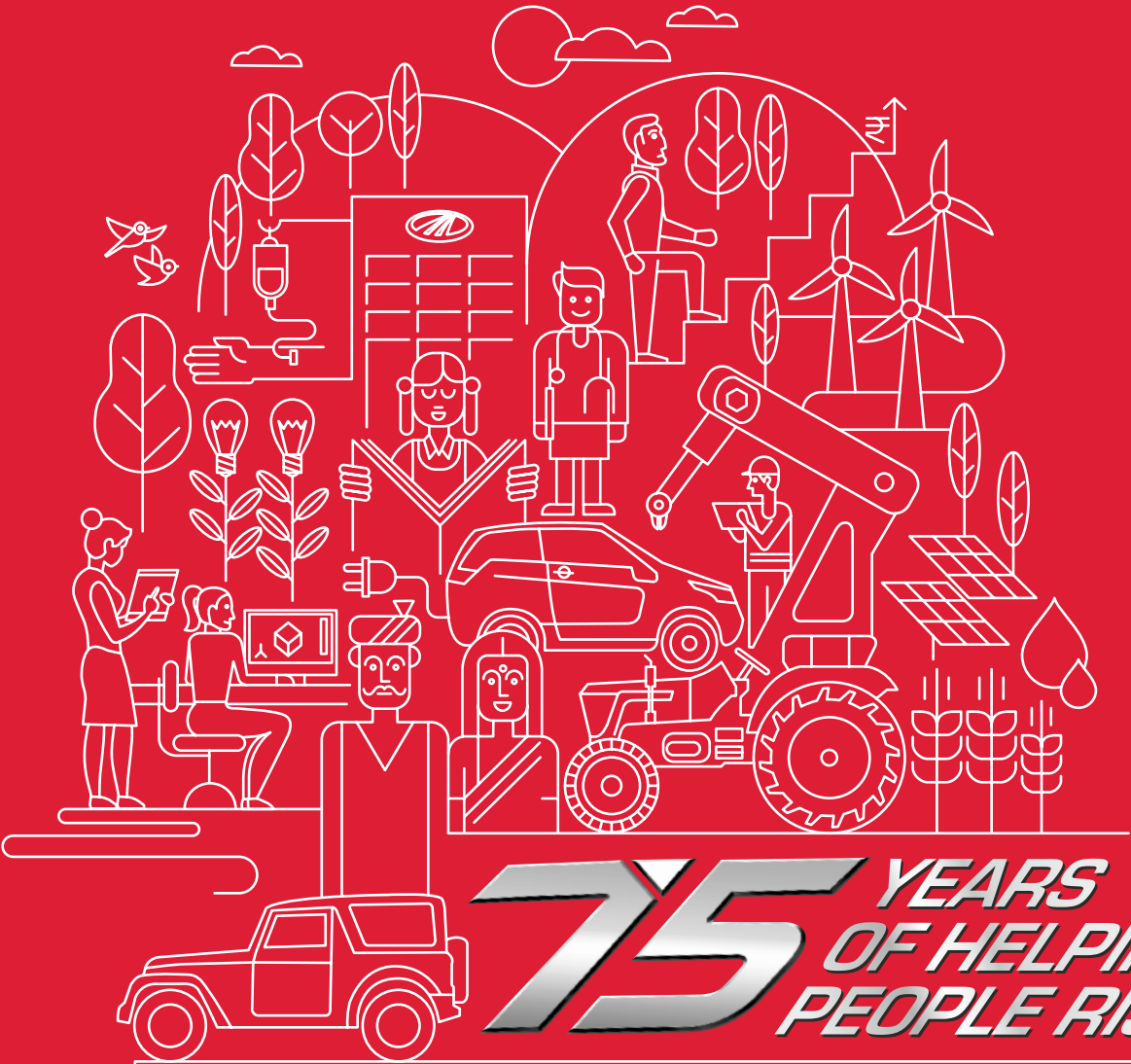
Tel. : +91 22 22895500

Fax : +91 22 22875485

Mumbai, 28th May, 2021

Information at a glance

Sr. No.	Particulars	Details
1.	Day, Date and Time of AGM	Friday, 6 th August, 2021, 3:00 p.m. (IST)
2.	Mode	Video conference/other audio-visual means
3.	Participation through Video-Conferencing	Members can login from 2:30 p.m. (IST) on the date of AGM at https://emeetings.kfintech.com
4.	Helpline Number for VC participation	Phone No.: 040-6716 1509 or call KFinTech's toll free No.: 1800-3094-001
5.	Submission of Questions / Queries Before AGM	<p>Questions/queries shall be submitted 48 hours before the time fixed for AGM i.e. by 3:00 p.m. (IST) on 4th August, 2021, by any of the following process:</p> <ul style="list-style-type: none"> Email to investors@mahindra.com mentioning name, demat account number/folio number, email ID, mobile number, etc. Members holding shares as on the cut-off date i.e. Friday, 30th July, 2021, may also visit https://emeetings.kfintech.com and click on "Post Your Queries" and post queries/views/questions in the window provided, by mentioning name, demat account number/folio number, email ID and mobile number. <p>Members can also post their questions during AGM through the "Ask A Question" tab which is available in the VC/OAVM Facility as well as in the one way live webcast facility.</p>
6.	Speaker Registration Before AGM	Visit https://emeetings.kfintech.com and click on "Speaker Registration" during the period from Monday, 26 th July, 2021 (9:00 a.m. IST) upto Wednesday, 28 th July, 2021 (5:00 p.m. IST).
7.	Recorded transcript	Will be made available post AGM at https://www.mahindra.com/investors/reports-and-filings
8.	Dividend for FY21 recommended by Board	Rs. 8.75 (175%) per Ordinary (Equity) Share of the face value of Rs. 5 each
9.	Dividend Book Closure dates	Saturday, 17 th July, 2021 to Friday, 6 th August, 2021 (both days inclusive)
10.	Dividend payment date	After Friday, 6 th August, 2021
11.	Information of tax on Dividend 2020-21	https://www.mahindra.com/investors/reports-and-filings
12.	Cut-off date for e-voting	Friday, 30 th July, 2021
13.	Remote E-voting start time and date	Monday, 2 nd August, 2021 (9:00 a.m. IST)
14.	Remote E-voting end time and date	Thursday, 5 th August, 2021 (5:00 p.m. IST)
15.	Remote E-voting website of KFin	http://evoting.kfintech.com
16.	Name, address and contact details of e-voting service Provider and Registrar and Transfer Agent	<p>KFin Technologies Private Limited (earlier known as Karvy Fintech Private Limited) Selenium, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500032</p> <p>Contact detail: Phone No.: 040-6716 1509 or call KFinTech's toll free No.: 1800-3094-001</p>
17.	Email Registration & Contact Updation Process	<p>Demat shareholders: Contact respective Depository Participant.</p> <p>Physical Shareholders: Contact Company's Registrar and Transfer Agents, KFin Technologies Private Limited by sending an email request at inward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested copy of the PAN card and copy of the Share Certificate.</p>
18.	Email Registration on Company/Registrar and Transfer Agent's website	<p>Members may visit the following websites and follow the registration process as guided therein:</p> <ul style="list-style-type: none"> Company's website https://www.mahindra.com and click on "email registration" KFinTech's website https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx



75 YEARS
OF HELPING
PEOPLE RISE

MAHINDRA & MAHINDRA LTD.
INTEGRATED ANNUAL REPORT 2020-21



75 YEARS
OF HELPING
PEOPLE RISE

**A rising tide lifts all boats.
But it takes resilience to keep
them safe during the storm,
and a gritty resolve to make
them sail-worthy and bring
them back to sea after it.**

OUR CORE VALUES

PROFESSIONALISM

GOOD CORPORATE CITIZENSHIP

CUSTOMER FIRST

QUALITY FOCUS

DIGNITY OF THE INDIVIDUAL



Over the last 75 years we, at Mahindra, have demonstrated our ability to grow with the flow as well as against it.

What has helped us successfully navigate both headwinds and tailwinds are our five core values which have served as our guiding stars for all business decisions, big or small. Thanks to continuous practice over the years, these values have permeated our DNA and upholding high standards of corporate rectitude is an everyday event at Mahindra.

The underlying principle of good business, we believe, is to create shared value - doing good and doing well.

We need to be in businesses that impact people and planet, and more importantly, we need to consistently do well in those businesses. Doing well enables us to do more good.

The year 2020 was a storm that engulfed us all. Not a single country was left unscathed; not a single individual was left unaffected.

We weathered the storm. Throughout the year, Mahindra continued to function with a short and long-term strategy. We ensured business continuity and shouldered our responsibilities as a good corporate citizen by helping the nation and society fight the pandemic.

Alongside this, we ramped up our capabilities, launched new vehicles and services, built strategic partnerships, became fitter as an organisation by taking tough decisions, drove innovation, and recalibrated capital allocations to gear up for the future.

This report is a celebration of that journey, an almanac of the concrete steps taken during a difficult period, and an assurance that we will stay true to the course charted by our founders; of helping people Rise.

MILESTONES IN MAHINDRA'S 75-YEAR GROWTH JOURNEY

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries.

Mahindra Rise.

2011
Mahindra unveils new brand position Mahindra Rise, to communicate with one brand voice, one face & one Mahindra core purpose

With Satyam merger, Tech Mahindra is India's 5th largest IT company
2013

2010
Mahindra Susten is established; today it is one of the largest players in the alternate energy sector in India

Mahindra expands its Electric Vehicle portfolio by acquiring Bengaluru-based start-up Reva Electric Car Company



2002
Mahindra launches Scorpio - a sports utility vehicle credited to have shaped the Indian SUV market

Mahindra sets up India's first World City in Chennai - a step towards creating sustainable urbanisation

1996
Project Nanhi Kali is launched under K.C. Mahindra Education Trust, with the objective of providing primary education to underprivileged girl children

Mahindra Holidays & Resorts India Ltd. pioneers timeshare holidays, offering fun-filled and affordable vacations to aspiring middle-class Indian families

1994
Mahindra forays into real estate business, now known as Mahindra Lifespace Developers Ltd.

Mahindra USA, a wholly owned subsidiary is established to represent the tractor business in the region

1948
The Company brings in the iconic Willy's Jeep to traverse the rugged terrain of a newly independent India

Mahindra & Mohammed Ltd. is renamed **Mahindra & Mahindra Ltd.**

1945

On 2nd October, the company 'Mahindra & Mohammed Ltd.' is set up and officially commences its steel trading business



1956
Mahindra goes public and is listed on the Bombay Stock Exchange

1945



Mahindra Classic Legends relaunches the iconic Jawa Motorcycles in India

2018



Mahindra unveils Pininfarina Battista, world's first all-electric hypercar

2019

2020 Mahindra launches the All-New THAR to rave reviews and wide acclaim



Mahindra Partners, the PE & Corporate Venture Capital arm of the Mahindra Group is born with a USD 1bn+ fund to invest in businesses that shape the future

2009

Mahindra sets up Mahindra International, its truck & bus business through a joint venture with Navistar International and International Truck & Engine Corporation (ITEC), USA

2005

Mahindra acquires Punjab Tractors Ltd. consolidating its market leadership

2007

Mahindra introduces the Aftermarket business to professionalise the car service and pre-owned car industry

2008

Mahindra starts a non-banking rural financing company Maxi Motors Financial Services Ltd., to bridge the gap between rural and urban of a liberalised India. Later, the Company became Mahindra & Mahindra Financial Services Ltd.

1991

Mahindra enters the IT space through a joint venture with British Telecom

1986



Mahindra Ugine Steel Co. Ltd. (MUSCO) is incorporated; a joint venture to manufacture alloy steel

1962

1983

Mahindra becomes the largest selling tractor brand in India - a position it continues to hold for the next three decades

1961

Mahindra pioneers farm mechanisation with the launch of its first tractor to support India's green revolution

CONTENTS

01	UNDERSTANDING THE REPORT How to Read the Report Performance Highlights
04	COMPANY OVERVIEW About The Group Our Core Purpose Our Core Values Chairman Emeritus and Board of Directors Group Executive Board Focus On ESG Reigniting Value Creation Manufacturing Capabilities Global Footprint
19	SUPPORTING COMMUNITIES TO RISE
23	PIVOTING TO GROWTH Strategic Overview Risks & Opportunities Opportunities & Outlook Input-Output Model Awards & Recognitions
33	RISING THROUGH INNOVATIONS
38	RISING WITH FOCUS ON ESG Environment People Society
56	CORPORATE INFORMATION
57	STATUTORY REPORTS Board's Report Management Discussion and Analysis Corporate Governance Business Responsibility Report
216	FINANCIAL STATEMENTS Standalone Accounts Consolidated Accounts

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, since any value creation activity requires other resources like people, natural resources and business relationships. This report will discuss how Mahindra & Mahindra Ltd. (M&M 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.



For any other information please visit
www.mahindra.com

UNDERSTANDING THE REPORT

HOW TO READ THE REPORT

Integrated Report <IR>

Businesses have always existed to create value for their diverse stakeholders. A number of factors come together in this value creation process - financial capital, plant & machinery, intellectual knowhow, employees, natural resources and other environmental services. Today, in addition to all these factors, governance, supply chain, communities in which businesses operate and the society at large also play a decisive role in the success of a business. A business's ability to sustain value over the long-term depends on how it manages, leverages and integrates all these tangible and intangible resources.



This Integrated Report provides a cohesive view of our performance and ability to create value consistently through six capitals – financial, manufactured, intellectual, human, social & relationship, and natural.

We use an easy-to-understand diagram to depict inputs, outputs, and outcomes, with respect to various capitals, that are measured by KPIs. The structure of this report 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.

Please note that certain statements in this report with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements.

Throughout the report, the terms 'Mahindra', 'M&M', and 'M&M Ltd.' have been used interchangeably to refer to Mahindra & Mahindra Ltd.

Scope of the Report

The reporting period of Mahindra & Mahindra Ltd. apropos this Integrated Report is 1st April 2020 to 31st March 2021.

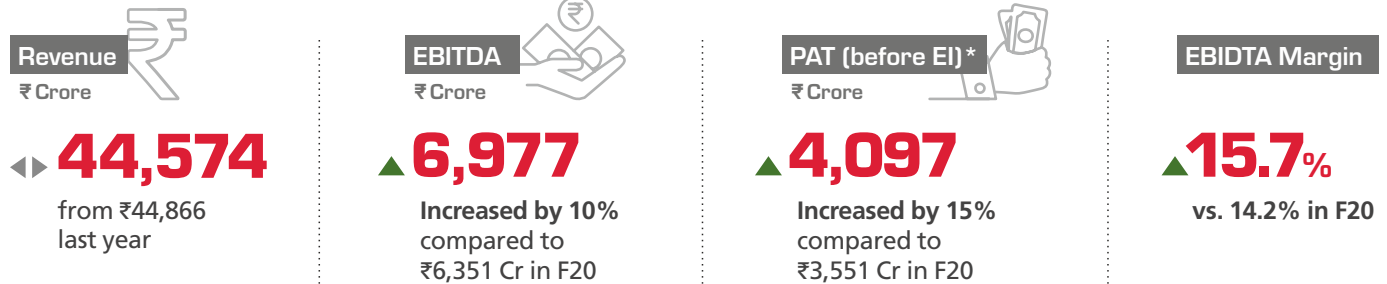
This Integrated Report provides an overview of the operations and business development activities of the Company. It is also aligned to the nine principles of the Ministry of Corporate Affairs' National Voluntary Guidelines (NVG) on the social, environmental and economic responsibilities of a business.

The scope of this Report is restricted to the domestic business of Mahindra & Mahindra Limited and Mahindra Vehicle Manufacturers Limited (MVML), 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 pg. 1-53, we have presented some data on the basis of the combined financials of Mahindra & Mahindra Limited and Mahindra Vehicle Manufacturers Limited. We have also represented data related to other group businesses and companies, wherever required, to provide a holistic view of the Company's performance and presence.

PERFORMANCE HIGHLIGHTS

Financial - F21 (M&M+MVML)



Highest Ever Dividend in the History of M&M **175%** ₹8.75 per share (175% of face value) in F21, which is 3.7x F20 dividend

*EI- Exceptional Items



Highest Ever Total Tractor Volume

3,54,498 units

(Includes domestic sales and exports. Includes Mahindra, Swaraj & Trakstar Brands)

17.4% YoY

Increase in total tractor volume

Total Automotive Volume

3,48,621 units

(Includes domestic and exports)



Received the 4-star safety rating from Global NCAP, highest ever rating for a body-on-frame SUV



Won the 'Car of the Year' at the 2021 Autocar Awards



Crossed 50,000 bookings within just 6 months of its launch

India's safest off-roader
The All-New THAR



Non-Financial - F21 (M&M Ltd.)

Total Scope 1 and Scope 2 GHG Emissions

▼ **11%** Reduction in F21 compared to F20

Share of Water Recycled & Reused

▲ **43%** in F21 vs 40% in F20

Share of Renewable Energy in Total Energy Consumed

▲ **5%** in F21 vs 4% in F20

M&M Automotive & Farm Equipment Sectors

Ranked 2nd in the list of India's Best Companies to Work For - 2021 by Great Place to Work®

Girls supported under Project Nanhi Kali

▲ **33,046** in F21 vs 14,462 in F20



COMPANY OVERVIEW

ABOUT THE GROUP

Founded in 1945, the Mahindra Group is one of the largest and most admired multinational federation of companies with 260,000 employees in over 100 countries. The Group has a clear focus on leading ESG globally, enabling rural prosperity and enhancing urban living, with a goal to drive positive change in the lives of communities and stakeholders to enable them to Rise.

For over 75 years, the Mahindra Group has remained resilient and vibrant. It has thrived by staying true to its core values and high standards of corporate governance.

Mahindra & Mahindra Ltd.

Mahindra & Mahindra Ltd. is the flagship company of the Mahindra Group. Our core business is mobility products and farm solutions. Since assembling our first vehicle in 1947, we have grown rapidly.

Today, we offer a wide range of products and solutions ranging from SUVs, pickups, commercial vehicles, and tractors, to electric vehicles, 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.

GROUP SNAPSHOT



World's largest
tractor company by volume



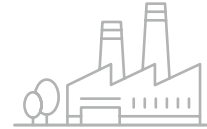
Enjoys a leadership
position in farm equipment,
utility vehicles, information
technology, and financial
services in India



Strong presence in
renewable energy,
agriculture, logistics,
hospitality, and real estate



Headquartered in India,
the Group employs over
2,60,000 people across
100 countries



22 INDUSTRIES



100+ COUNTRIES



150+ COMPANIES

The Mahindra Group's operations are in the key industries that form the foundation of every modern economy.

The industries, where we are transforming lives and shaping the modern world through our presence, have been outlined in the next page.

▼ 22 Industries

AEROSPACE		AFTERMARKET		AGRI BUSINESS	
AUTOMOTIVE		BOATS		CLEAN ENERGY	
CONSULTING		CONSTRUCTION EQUIPMENT		DEFENCE	
FARM EQUIPMENT		HOSPITALITY		INFORMATION TECHNOLOGY	
INSURANCE BROKING		LOGISTICS		POWER BACKUP	
RETAIL		REAL ESTATE & INFRASTRUCTURE		RURAL HOUSING FINANCE	
STEEL		TRUCKS & BUSES		TWO-WHEELERS	
VEHICLE & EQUIPMENT FINANCE					

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 practise 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.



For more information about our Core Values, please refer to our corporate website: <https://www.mahindra.com/about-mahindra-company>

CHAIRMAN EMERITUS AND BOARD OF DIRECTORS



Ms. Shikha Sharma
Independent Director



Mr. Vikram Singh Mehta
Lead Independent Director



Dr. Vishakha N. Desai
Independent Director



Mr. T. N. Manoharan
Independent Director



Mr. Muthiah Murugappan
Independent Director



Mr. Keshub Mahindra
Chairman Emeritus



Mr. C P Gurnani
Non-Executive
Non-Independent Director



Ms. Nisaba Godrej
Independent Director



Dr. Anish Shah*
Managing Director & CEO



Mr. Vijay Kumar Sharma
Nominee Director



Mr. Haigreve Khaitan
Independent Director



Mr. Rajesh Jejurikar
Executive Director (Auto & Farm Sectors)



Mr. Anand G. Mahindra
Executive Chairman

*Dr. Anish Shah took over as Managing Director and CEO, effective from April 02, 2021.

GROUP EXECUTIVE BOARD



Mr. Zhooben Bhiwandiwala

President -
Mahindra Partners,
Group Legal and
Compliance

Mr. Shriprakash Shukla

Group President
(Agri, Aerospace,
Defence & Steel
Sector)

Mr. S. Durgashankar

President -
Group Controller
of Finance &
Accounts

Mr. Ashok Sharma

President -
Agriculture Sector
and MD & CEO -
Mahindra Agri
Solutions Ltd.



Dr. Anish Shah

Managing Director
& CEO

Mr. C P Gurnani

MD & CEO
Tech Mahindra
Ltd.

Mr. Ramesh Iyer

VC & MD
(Mahindra & Mahindra Financial
Services Ltd.) & President
(Financial Services Sector)

Mr. Manoj Bhat

President &
Group Chief
Financial Officer



Mr. Kavinder Singh

MD (Mahindra Holidays & Resorts India Ltd.) & President (Leisure & Hospitality Sector)

Mr. L. Ravichandran

President & Chief Operating Officer (Tech Mahindra Ltd.)

Mr. Manoj Chugh

President Group Public Affairs

Mr. Hemant Sikka

President Farm Equipment Sector

Mr. Vivek Agarwal

President - BFSI, HLS and Corporate Development, Tech Mahindra Ltd.



Mr. Anand G. Mahindra

Executive Chairman

Mr. Ruzbeh Irani

President - Group HR & Communications

Mr. Amit Sinha

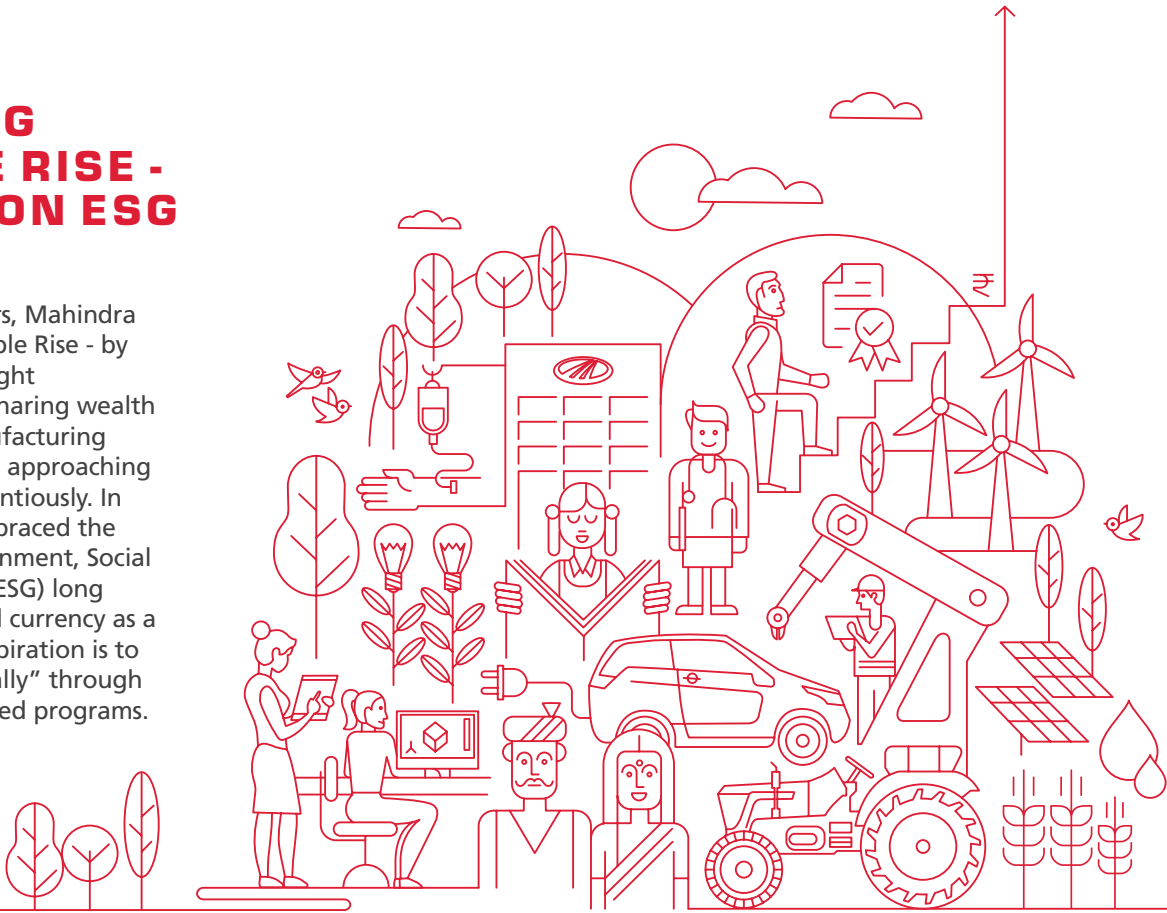
President, Group Strategy

Mr. Rajesh Jejurikar

Executive Director (Auto & Farm Sectors)

HELPING PEOPLE RISE - FOCUS ON ESG

For over 75 years, Mahindra has helped people Rise - by providing the right opportunities, sharing wealth equitably, manufacturing responsibly, and approaching business conscientiously. In essence, we embraced the tenets of Environment, Social & Governance (ESG) long before it gained currency as a concept. Our aspiration is to “lead ESG globally” through sustained, focused programs.



ENVIRONMENT

Be it pioneering electric vehicles or committing to become carbon neutral as a Group by 2040; be it increasing the share of renewable energy in our energy mix or upholding stringent quality norms that win us international safety awards – **we continue to promote sustainable development through our business decisions and actions.**

SOCIAL

We create and maintain a diverse, inclusive, vibrant, and meritocratic work environment that nurtures and motivates our employees. The Group CSR policy focusses on Education, Healthcare, Women Empowerment, Skilling of Youth, Environment and Livelihood Enhancement. We do this because **for us doing business for good is as important as doing good business.**

4 Mahindra Group companies were recognised as India's Best Companies to Work for 2021 by Great Place to Work®.

GOVERNANCE

We have maintained the gold standard in our governance framework

that helps us achieve strong, balanced, and sustainable growth for all our stakeholders. Our experienced, independent, and diversified Board of Directors, supported by robust risk management and compliance processes, play a key part in ensuring the highest standards of governance in all our activities.

Our aspiration is to

Lead ESG Globally

through sustained, focused programmes

ENVIRONMENT



Carbon Neutral by 2040

Science Based targets in place

RE 100

100% Renewable Energy

50% by 2025

EP 100

100% improvement in Energy Productivity

60% by 2025



100% sites ZWL certified by 2030

- India's 1st certified ZWL location @ Igatpuri
- 22/90 identified locations already certified



Hariyali - Plant 5 million trees/year

19 million trees planted to date

SOCIAL



Women Empowerment

- Nanhi Kali
- Project Pride
- Project Prerna



Education - Nanhi Kali



Focused Skilling/Training

GOVERNANCE



Maintain Gold Standard

- Board independence
- Proactive risk management
- Robust compliance
- Single truth; Best-in-class disclosures



Evolving THE NEXT

- Cybersecurity
- Data Privacy
- Diversity & Inclusion



Anand Mahindra

Executive Chairman, Mahindra Group



Each one of our own corporate milestones is accompanied by a more human one; whether it be the creation of a truly inclusive workplace, or a reduced environmental impact; whether it's a deeper engagement with our communities, or providing the freedom to experiment (and, even fail) to all our employees.

So, the occasion of our 75th anniversary represents an opportune moment to participate in what I believe is the most important conversation of the decade.

REIGNITING VALUE CREATION

Historically, the Mahindra Group has created shareholder value, consistently. After delivering an impressive annualised return of 31% from 2002 to 2018 (Aug 2018), Mahindra & Mahindra shares, however, saw a steep fall in returns in the next two years. The annualised return from August 2018 to March 2020 was -54%.

This presented a challenge and we were determined to overcome it. We sprang into action to reboot, reinvent, and reignite value creation

In the beginning of F21, the Group instituted a very tight capital allocation process with strict controls and clearly defined criteria.

All loss-making international subsidiaries were grouped into three categories: Category A (had a clear path to profitability), Category B (had a quantifiable strategic impact), and Category C (had an unclear path to profitability that mandated an exit and initiation of an appropriate action plan for the same).

As planned, the whole exercise was completed in one year. Following are the outcomes of the exercise:

Capital Allocation Update

A | Entities with clear path to profitability

MAGNA
AG North America

PEUGEOT
MOTOCYCLES

ERKUNT

Post
Restructuring

MANA
MAHINDRA AUTOMOTIVE
NORTH AMERICA
A U T O M O B I L I
pininfarina

- MAGNA (Mahindra USA Inc.), Peugeot Motocycles and Erkunt - each of these entities has developed a business plan that lays out a clear path to profitability.

B | Quantifiable Strategic Impact

MITSUBISHI MAHINDRA
AGRICULTURAL MACHINERY CO. LTD.

SAMPO ROSENLEW

HISARLAR
AG Machinery

- Mitsubishi Mahindra Agricultural Machinery, Sampo Rosenlew and Hisarlar - these entities were added to Category B considering their importance to the farm equipment business in developing a strong farm machinery portfolio for domestic as well as international markets.

Mahindra Automotive North America and Automobili Pininfarina, after a fair amount of restructuring, straddle Category A and B.

C | Unclear path to Profitability...Exit

SSANGYONG

GIPPSAERO

Z
genZe

MFCS

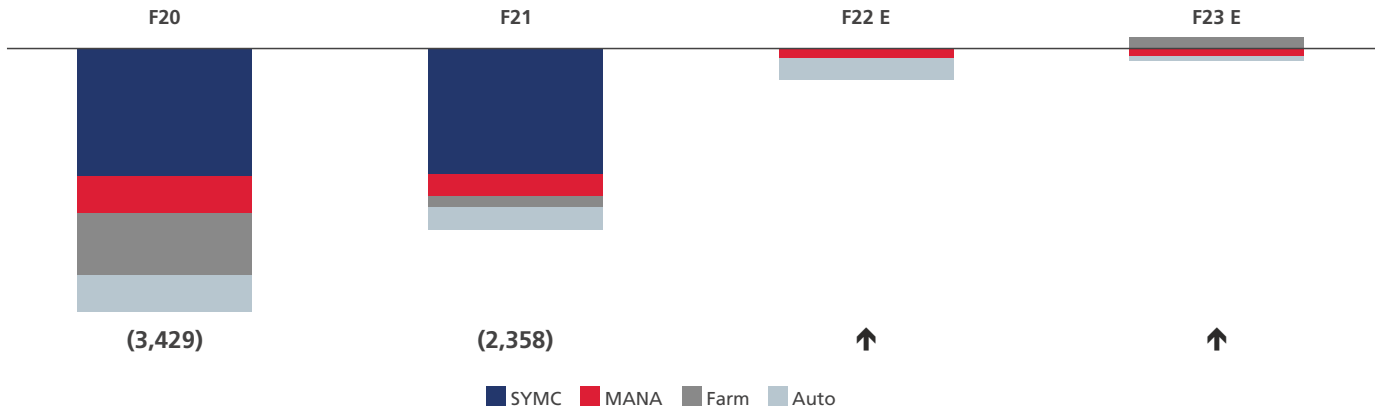
- We have taken quite a few tough calls, starting from our Board's decision to stop investing in SsangYong in April 2021 to exiting GippsAero, Genze and Mahindra First Choice Services (MFCS).

Consequent to this exercise, the profitability of global subsidiaries is expected to go up in the subsequent years resulting in lower investment requirement.

Capital Allocation Results

International Auto and Farm Operations (₹Cr)

PAT¹ (After NCI, before EI)







SAFE HARBOR STATEMENT: "Certain statements with regard to our future growth prospects are forward-looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements."

¹ Auto and Farm international operations excluding HO cost allocation

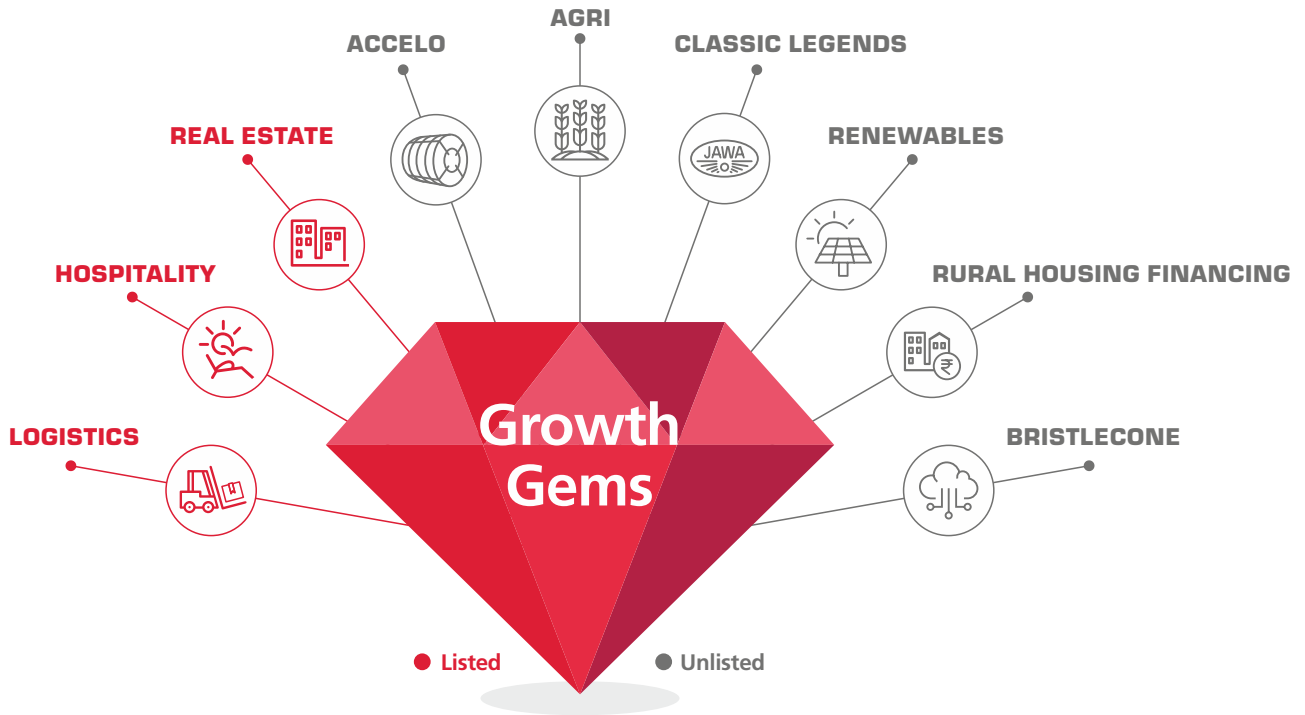
Road Ahead

The focus of the Group has shifted to generating growth. The Group has clearly laid out strategies for Auto, Farm, Financial Services, and IT Services (Tech Mahindra) businesses to accelerate the growth.

<ul style="list-style-type: none"> Domestic tractor market share growth Quantum growth in farm machinery Product and farm technology - K2, Krish-e Global consolidation to growth 	FARM	
<ul style="list-style-type: none"> Core SUV - authentic, unmissable presence Strengthen Light commercial vehicle Last mile mobility Born EV platform 	AUTO	
Accelerate Core Growth		
<ul style="list-style-type: none"> Dealers, OEM partnerships, branch expansion Customisation and digitisation Focus on used vehicles financing Collection efficiency, NPA lifecycle management 	FINANCIAL SERVICES	
<ul style="list-style-type: none"> Industrialisation of digital Growth in 5G Platforms Customer experience 	IT SERVICES (TECH M)	



The Group has also identified 9 'Growth Gems' which are businesses with proven business models and are in various stages of scaling-up. Each of these businesses has the ability to grow and generate significant value in the next 3-5 years with the right amount of support.



Legacy of Value Creation

The actions initiated so far have brought the Group back to its value creation days, as can be seen from the following chart.

M&M Closing Share Price



MANUFACTURING CAPABILITIES

Mahindra has always led the way in transforming automotive manufacturing in India. Our facilities have accelerated the incorporation of technologies towards adopting the Industry 4.0 framework. This includes using cutting-edge technologies, digital interventions from machines with sensors and edge analytics to sort relevant data.

We are using telemetry-based solutions and segregated networks for machine and process security towards optimising industrial network use. We have reduced energy utilisation, and thereby our carbon footprint, through digital monitoring of energy used by manufacturing devices and scrutinising vehicle-wise energy consumption trends.

New Asset Installations at Chakan Manufacturing Plant

- Installation of a fully indigenous robotic body line with more than 100 robots
- Robotic in-line Inspection and latest laser scanning for enhanced quality
- New state-of-the-art transmission lines with robotics to enhance product quality
- Digital capturing of all data and integration with MES (Manufacturing Execution System) for Big Data Analytics
- Integrated unique calibration asset for Advanced Driver Assist System

Given the changing customer preferences and high expectations for quality, we had embarked on a journey to use digital technologies like Artificial Intelligence (AI), Machine Learning (ML) and Internet of Things (IoT) to improve our quality, increase our throughput and reduce our downtime in the factories. These first-of-their-kind projects have yielded exponential results and are being scaled up across M&M.

Connected Factories

- Critical machines connected across 8 Mahindra plants pan-India through the in-house developed Drona platform, ensure better productivity by increasing machine availability and improving efficiency. With higher energy sustainability, improved machine uptime and based on Industry 4.0 guidelines of data interoperability, our value chains are getting more tightly integrated.
- Using advanced AI models that capture over 1,000 data points, ranging from supplier parts to on-road performance, we could predict the performance of our

engines which helped us reduce the testing time and improve quality. The models developed were over 99.6% accurate and can be used to score engines on their performance.

- Painting is a critical process in automotive manufacturing. We are currently running AI models in our paint shops to help set the right conditions in the paint booth to achieve the best possible output.

Key Manufacturing Milestones in F21

Since their inception, Rudrapur tractor plant has rolled out 7.5 lac+ tractors, while Zaheerabad tractor plant has rolled out 2.5 lac+ tractors.



One in a Million!

Even in pandemic situation and against all odds, Mahindra's state-of-the-art tractor plant at Nagpur achieved the milestone of rolling out its **Millionth Tractor** on 30th July 2020. Mahindra Nagpur is the first integrated tractor plant to achieve this feat.

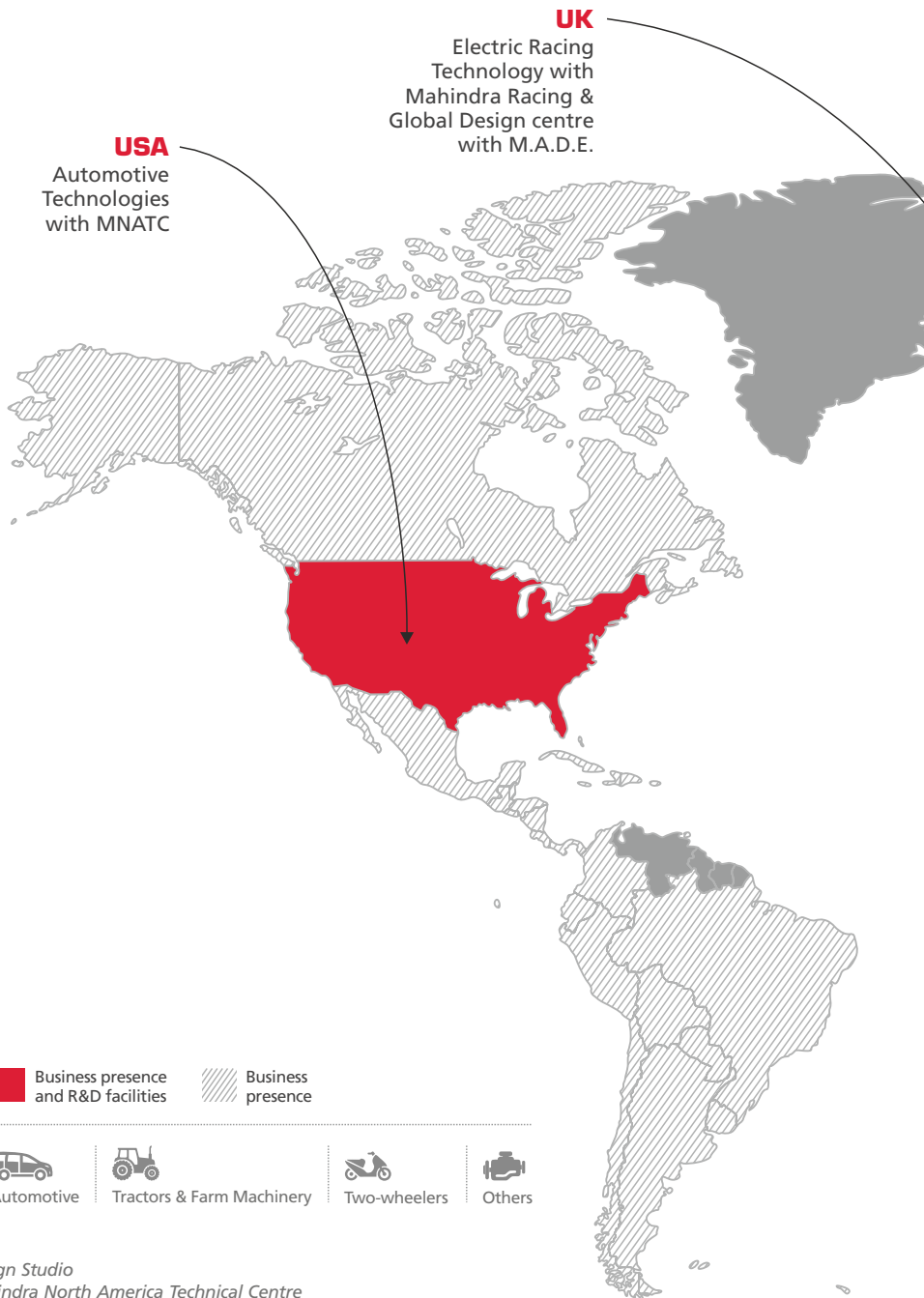
GLOBAL FOOTPRINT



THE GROUP HAS BUSINESS PRESENCE IN **100+ COUNTRIES**

68 MANUFACTURING FACILITIES AROUND THE WORLD

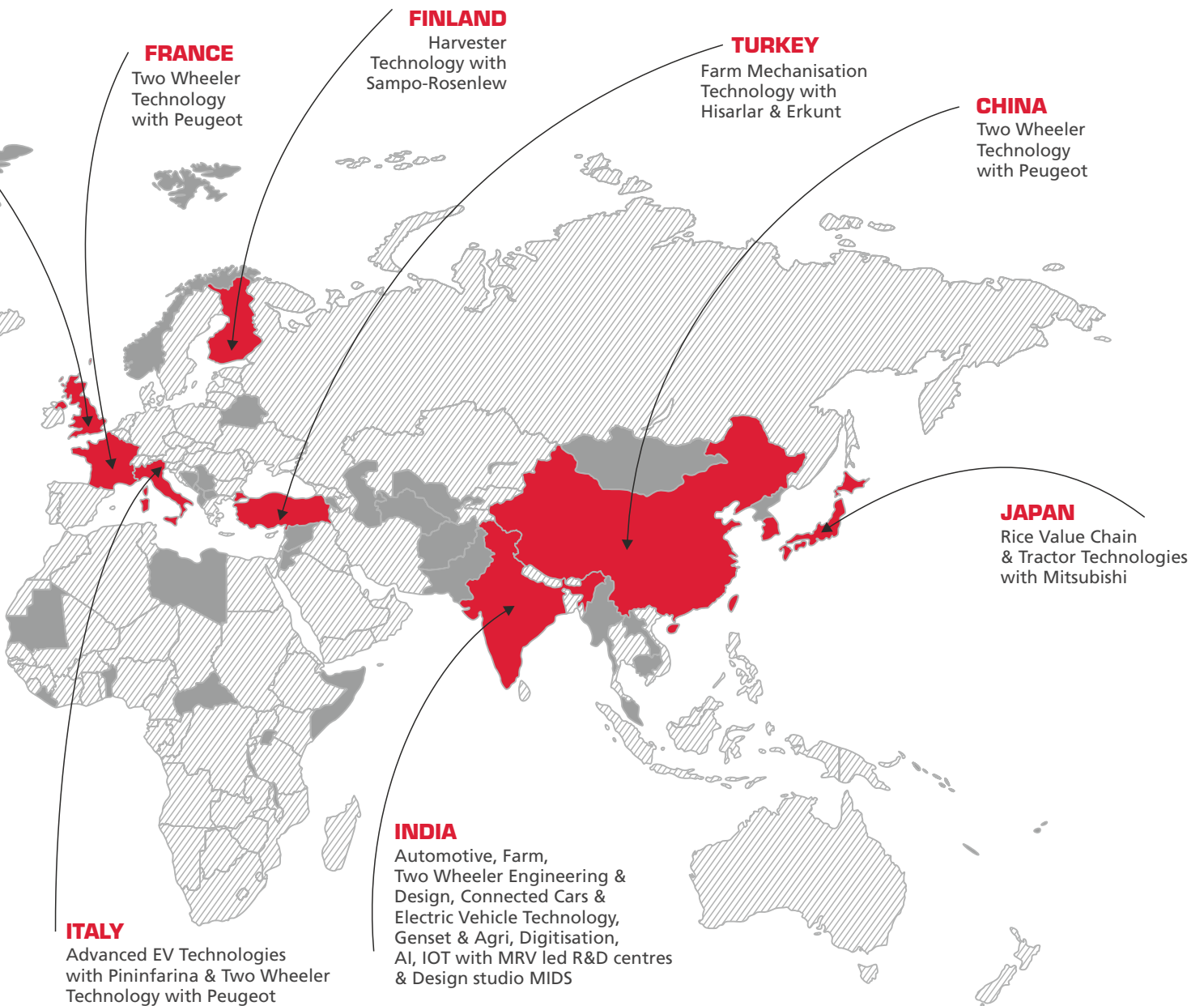
41	INDIA				
02	ALGERIA				
01	AUSTRALIA				
01	BANGLADESH				
01	BENIN				
01	BRAZIL				
01	CHAD				
01	CHINA				
01	FINLAND				
01	FRANCE				
01	INDONESIA				
01	JAPAN				
01	KENYA				
01	MALI				
01	NIGERIA				
01	SOUTH AFRICA				
01	SRI LANKA				
01	TUNISIA				
03	TURKEY				
02	UAE				
04	USA				





OUR R&D FACILITIES ARE
SET UP IN **23 CENTRES**
ACROSS 9 COUNTRIES

India, China,
Finland, France,
Italy, Japan,
Turkey, UK, USA



Map not to scale.
For illustrative purposes only.

As on 31st March 2021, property, plant, and equipment (including capital work-in-progress) at M&M+MVML stood at ₹12,579 crore. During the year, we incurred a net capital expenditure of ₹3,312 crore and the major focus was on new product development.

19 MANUFACTURING PLANTS ACROSS THE COUNTRY



Automotive Sector Sales Volume (units)
348,621



Farm Equipment Sector Sales Volume (units)
354,498

3 
MOHALI, CHAPPERCHIRI, SIALBA MAZRI
Swaraj Division

1 
JAIPUR

1 
VADODARA
Gromax

1 
IGATPURI

1  **1** 
KANDIVALI

2 
CHAKAN

2 
NASHIK

1 
BENGALURU
Mahindra Electric

1 
HARIDWAR


1 
RUDRAPUR

1 
PITHAMPUR

1 
NAGPUR

1  **1** 
ZAHEERABAD

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

 Manufacturing Plants

 Automotive

 Tractors & Farm Machinery

 Two-Wheelers

 Electric Vehicles

SUPPORTING COMMUNITIES TO RISE

The Mahindra Group has always been amongst the first to RISE in the face of any national disaster.

Be it any kind of catastrophe, the Mahindra Group has not only provided support in the form of ration, clothes and monetary relief, but has also gone the extra mile in several instances, such as constructing homes in a village which was wiped out during the Kosi river floods.

It was but natural that the Mahindra Group would offer its support in the wake of the pandemic which has had a devastating effect on our country. The immediate response was to provide food and sustenance grants to those who had lost their livelihood, such as the migrant workers.

The Group also innovatively used its factories to quickly produce face masks and face shields, of which there was a severe shortage. These were distributed to frontline COVID warriors in the hospitals and amongst the police forces. Our contribution has been recognised by several national and international bodies.



Indo-American Chamber of Commerce for the first time along with the U.S. Consulate General, Mumbai, instituted the COVID Crusaders Award, 2020 to celebrate the true spirit of humanity.

The Mahindra Group was recognised for 'Exemplary Work done by a Corporate in India'

category in a virtual award ceremony.

Following are some of the initiatives that we undertook to fight the deadly COVID-19 pandemic in India.

Providing Financial Assistance

The Mahindra Group donated ₹50 cr to the 'Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund' towards the end of F20.

- Mahindra Foundation set up a COVID-19 relief fund with the objective of providing relief and in-kind support to individuals who had lost their livelihood and small businesses which were severely affected due to the COVID-19 pandemic and the subsequent lockdown.
- 20,402 Mahindra Group employees contributed ₹9.22 cr to the COVID-19 Relief Fund. Of this ₹7.98 cr from the fund has been disbursed to benefit 1,99,079 individuals.

Helping Frontline Workers

- **Mahindra Auto and Farm Sectors (AFS)** responded quickly to the pandemic by overhauling their manufacturing facilities to produce face shields, face masks, and aerosol boxes to support the frontline workers in the fight against the pandemic.
- **The Mahindra Group** distributed 4,06,700 face shields, 14,35,950 face masks, 624 aerosol boxes, and 2 incubation boxes to hospitals and frontline workers in F21. The Group also distributed 5,25,068 cooked food packets, and ration and other essentials to 7,03,486 individuals including migrant workers.
- **Mahindra Summit Agriscience Ltd.** procured the required license in record time to produce and supply hand sanitisers. Over 150 kilolitres of hand sanitisers were produced and distributed to support the fight against COVID-19.
- **Mahindra Logistics Limited (MLL)** launched HOPE (Helping Our People during Emergencies), an initiative

to support professional drivers financially in their battle against the COVID-19 lockdown. MLL partnered with 'Samhita', a social enterprise and SuperMoney, a financial lending tech platform to reach out to beneficiaries within the ecosystem.

- **MLL** also launched ALYTE, a free emergency cab service in Mumbai, Pune, Hyderabad, Kolkata, Chennai, Cochin, Thiruvananthapuram, Bengaluru, and Delhi. ALYTE carried out over 3,000 trips reaching out to more than 3,500 people.
- **Tech Mahindra** provided the following digital/IT solutions to assist the fight against the pandemic:

Developed the E-PASS facility for COVID-19 curfew for the Delhi Police

Provided support (language translation, customer chat support) for **Aarogya Setu**, a mobile app developed by the Government of India to help citizens identify their risk of contracting COVID-19



Through the interventions mentioned above, we have reached out to beneficiaries in more than 20 states and union territories.



Helping Communities

In line with our objective of building resilient communities we provided support to migrant workers and communities adversely impacted by the COVID-19 pandemic through the following CSR activities.



M&M Ltd. partnered with Naandi Foundation to implement the 'Agri Entrepreneurship Programme' that imparts high quality agriculture training to 6,000 young individuals across Wardha (Maharashtra), Araku (Andhra Pradesh), Delhi, Hyderabad, and Bengaluru, equipping them with a range of skills that would enable them to start earning a livelihood from agricultural activities (as agri-skilled farmers or agri-entrepreneurs).

M&M Ltd. partnered with Swades Foundation to provide livelihood support (goat rearing and fishing) to 679 COVID-19 impacted households, benefitting 3,054 individuals in Raigad District, Maharashtra.

M&M Ltd. provided CSR grant to Ratna Nidhi Charitable Trust (partnering with Brihanmumbai Municipal Corporation or BMC) for purchase of ICU beds for the BMC managed COVID care centre at the NESCO convention centre in Goregaon, Mumbai.

After the pandemic, these beds would be donated to healthcare centres with inadequate medical infrastructure in the rural areas of Maharashtra.

People First

We have taken the following steps to keep our people and their families safe:



*Swasth Raho, Mast Raho is an online initiative by M&M to educate people on COVID-19 prevention.

People First

▼ Support for employees' family in the unfortunate event of death

- One-time payment of 2x annual compensation
- Payment of monthly salary of the deceased for 5 years
- Children's education till class 12 (up to 12 lakh per annum per child)

▼ Safety and well-being

- Strict back-to-work protocols for employees in critical functions; digital app-based interventions to ensure employee safety
- Confidential access to personal counselling and mental health support

▼ Access to healthcare

- Tie-ups with medical providers for free and smooth vaccination for employees and their families
- Remote consultation with doctors, arrangement of RT-PCR and antigen tests in case of COVID symptoms
- Home quarantine support with medical assistance, quarantine centres across India, and reimbursement of hospitalisation and quarantine expenses of employees and their families

▼ Facilitating remote working

- Conducted customised learning sessions and virtual workshops on technical aspects of remote working to help employees navigate the transition to a digital workplace
- Implemented data protection measures to facilitate seamless remote working while ensuring data security

We have also extended support to dealers and their 80,000 employees who are an integral part of the Mahindra family.

This includes vaccination expenses, medical insurance, home quarantine and an ex-gratia payment in the unfortunate event of death. In addition, we are providing support for contract, temporary and trainee associates.

Helping Our Customers

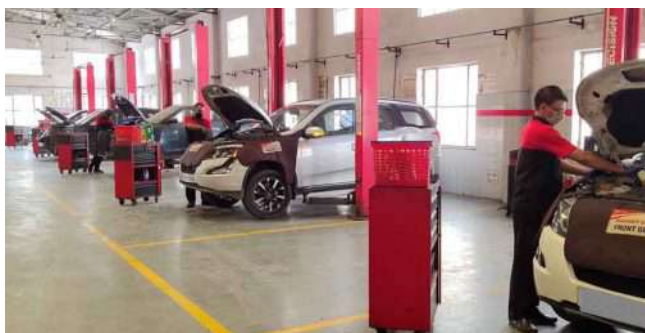
▼ Own-Online

Mahindra launched 'Own-Online', an end-to-end online vehicle ownership solution, to enable customers to finance, insure, exchange, accessorise, and own a Mahindra vehicle from the comfort of their homes. It offers a transparent, seamless, and contactless experience from vehicle selection to delivery.



▼ Contactless Service Experience

Mahindra introduced the 'Contactless Service Experience' to ensure complete safety of its vehicle owners when they get their vehicles serviced. Digital interventions such as communication of vehicle repair information over mobile application, live video streaming of recommended repairs, and availability of documents & updates on messaging platforms provide a safe, hassle-free service experience to customers.



PIVOTING TO GROWTH

The ability to adapt to a situation, innovate, and come out stronger has been one of the hallmarks of the Mahindra Group over the last 75 years. We have seen macroeconomic upheavals, technological breakthroughs, sustained periods of prosperity, and life lessons from reality checks. And we have evolved through it all with grit, determination, ingenuity, and strategic focus.

These qualities are also helping us effectively face the unprecedented challenges posed by the pandemic in both the business and the social environment. We remain confident that we will overcome these challenges and Rise in the post-COVID world.





We believe that one of the better ways to straddle this ever-changing world is to balance practicalities with flights of ambitions. So, on one hand we continue to focus on customer-centricity, delivering accessible technology, innovation, and enhancing people capabilities while on the other, we are constantly pushing the boundaries of possibilities, forging strategic partnerships, and institutionalising global design centres.

STRATEGIC OVERVIEW

Change is the only constant, and that which allows us to redefine our future.

The future would be defined by our focus on customer experience as we significantly enhance our design capabilities, build differentiated brand strategy, lead digital transformation and drive EV (electric vehicle) technology.

Redefine The Future

 <p>MADE MAHINDRA ADVANCED DESIGN EUROPE</p>	 <p>EV TECH CENTRE</p>	 <p>DIGITAL TRANSFORMATION</p>	 <p>DIFFERENTIATED BRAND EXPERIENCE</p>
<p>Authentic design with global appeal</p>	<ul style="list-style-type: none"> • Tech partnerships • 2025-30 BEV roadmap • Software hub at Bengaluru • Leverage MRV for PD 	<ul style="list-style-type: none"> • Customer journey • Software for HMI • New business models • Agile supply network 	<ul style="list-style-type: none"> • Purpose-based brands • Best-in-class CX • Wow products • Platform commonality

AUTOMOTIVE SECTOR

Our long-term automotive strategy is to build a strong, sophisticated, and authentic SUV brand with unmissable presence and advanced adventure-ready capabilities.

The resounding success of the All-New THAR and continued demand for our core brands: the XUV, the Bolero, and the Scorpio are testaments to our focus on core SUV experience and sustained leadership in LCV* <3.5T category.

*LCV- Light Commercial Vehicle

We have initiated strong and bold moves to pivot growth by:

1 Mobilising Momentum of Brands

2 Building Strong Brands

3 Leveraging Platforms to Launch 23 New Products

4 Having a Future-ready EV Strategy

▼ Mobilising Momentum of Brands

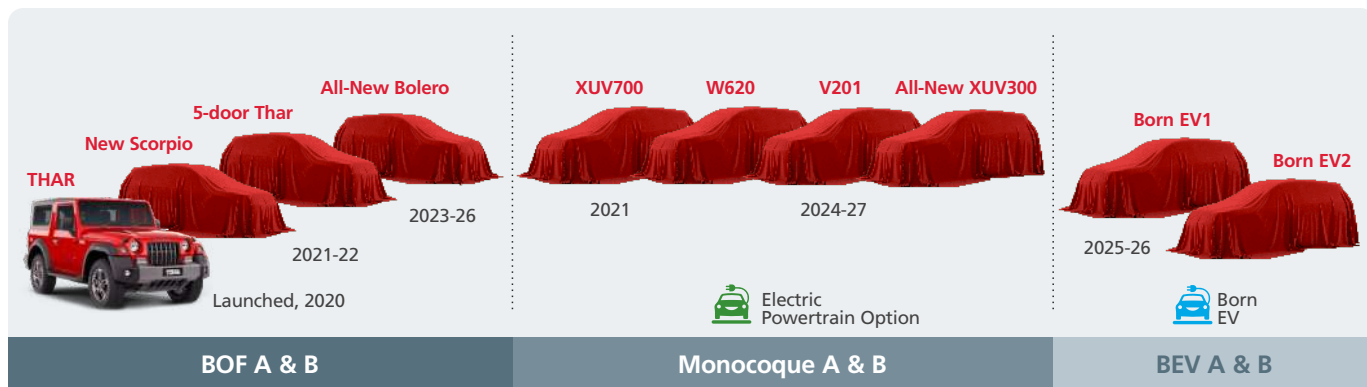
We foresee that our core auto brands will continue to enjoy massive popularity, aided by the strong booking momentum of new additions like the THAR.



▼ Building Strong Brands

Our endeavour is to create a very strong automotive product portfolio. We are working towards launching 9 new PV (passenger vehicle) products by 2026.

We plan to leverage our platforms to launch 23 new products by CY 2026: 9 SUVs & 14 LCVs.



BOF - Body on Frame | BEV- Born Electric Vehicle | Years mentioned above represent calendar years

The much-awaited all-new global SUV of Mahindra, built on the W601 platform, has been branded as the XUV700. It is set to redefine the SUV segment with its spirited performance, best-in-class features, and world-class safety standards. The XUV700 will be manufactured at our automotive facility at Chakan in Maharashtra.

For our commercial vehicle portfolio, our proposition is to build tough products with the least cost of ownership. We are planning to launch 14 new CV (commercial vehicle) products by 2026 to strengthen our leadership position in the LCV <3.5T category.

Tough disruptive products, with least cost of ownership and innovative solutions, for operators & enterprises

**Last Mile Mobility (LMM)
Range | 2023-26**



● **ATOM** ● **New Treo** ● **New LMM Platform** ● **UDO**

**Small Commercial
Range | 2023-24**



● **Jeeto EV**

**New Urban Pik-Up (PU)
Range | 2025-27**



● **For goods and passenger, 2-3 products**

Pik-Up Range

2021-23



New Bolero Compact PU - 4 new products

2023-24



New Bolero Classic PU - 2 new products

● **Born EV** ● **Electric Powertrain Option**

Years mentioned above represent calendar years

Future-ready EV Strategy

EV presents a huge market opportunity, and we remain committed to capitalise on the same. In the short-term, our immediate focus is on Last Mile Mobility which is ripe for scaling up. The journey into EV Tech would start with a new portfolio of ICE (Internal Combustion Engine) derived SUVs leading to a Born Electric portfolio.

Our focus would be on driving partnerships along with leveraging internal capabilities through MRV (Mahindra Research Valley), EV Tech Centre, MNATC (Mahindra North American Technical Centre), and UK Design Centre (M.A.D.E.) to create an exciting EV portfolio in the SUV space.

 <p>LAST MILE MOBILITY </p> <ul style="list-style-type: none"> • Market ready for scale up • TREO, ALFA and ATOM • Tie-ups with Amazon, Flipkart 	 <p>SUV - ICE DERIVED </p> <ul style="list-style-type: none"> • Exciting Portfolio • Partnerships for speed to market • MRV with EV Tech 	 <p>BORN EV </p> <ul style="list-style-type: none"> • MRV, EV Tech, MNATC & UK Design Centre • BEV Roadmap for 2025-30 • Right mix of Make vs Buy
--	---	---

Setting fresh investment of ₹3,000 Cr and simplifying the structure to drive innovation, execution excellence and economies of scale.

FARM EQUIPMENT SECTOR

We continue to remain the world's largest tractor manufacturer by volume.

Our constant endeavour is to serve our farmers and enable them to Rise. We aim to revolutionise farming, and in the process, enrich the lives of farmers.

We have an aggressive growth strategy for the Farm Sector. The growth in the sector would be driven by:

- 1 Core Domestic**
(Growth in Domestic Tractor Market Share)
- 2 Technology**
(K2 Program, Global CoEs*, Precision Agriculture)
- 3 Quantum Growth in Farm Machinery**
- 4 Growth in Global Farm Businesses**



*CoEs- Centres of Excellence

▼ Core Domestic

We are committed to strengthening the domestic core of our tractor business and grow our market share. Our two core brands, Mahindra and Swaraj are well-positioned to strengthen our leadership position in the domestic market. We have planned a series of new launches to augment our product portfolio. We also intend to leverage technology for agri-advisory and ecosystem services (offered through Farming-as-a-Service vertical, Krish-e) to transform farming in India.

▼ K2 Project

The new K2 series is Mahindra's most ambitious light-weight tractor programme. Made in collaboration between Mitsubishi Mahindra Agricultural Machinery of Japan and Mahindra Research Valley, India, the K2 series will enable Mahindra to introduce products across four new tractor platforms, in multiple categories, and various HP points. The new series, catering to domestic as well as international markets, will be manufactured at Mahindra's Zaheerabad facility.

4 GEOGRAPHIES, 4 PLATFORMS, 37 MODELS



Sub Compact
6 Models 20-25 HP

2023



Compact
9 Models 21-30 HP

2023-24



Small Utility
11 Models 26-40 HP

2023-24



Large Utility
11 Models 45-70 HP

2024-25

Years mentioned above represent calendar years

▼ Quantum Growth in Farm Machinery

We foresee an exciting opportunity in the farm machinery segment. We believe the segment has potential to act as a key engine of our future growth. Our domestic farm machinery segment revenue grew by 45% in F21. We plan to build a strong product pipeline of farm machinery, in partnerships with global CoEs to capitalise on the growth opportunity. We are also exploring exports and inorganic acquisitions to rapidly scale up the segment.

▼ Global Farm Business

We have a sizeable global farm business, with presence in the 4 largest markets (excluding China) - USA, Brazil, Mexico, and Turkey. We aim to grow and generate returns from our global businesses. We are also present in Japan and Finland, through Mitsubishi Mahindra Agricultural Machinery (MAM) and Sampo-Rosenlew respectively.



RISKS & OPPORTUNITIES

Our business is exposed to many internal and external risks and consequently, we have institutionalised robust systems and processes, along with appropriate review mechanisms to actively identify, monitor, manage, and mitigate these risks.

Considering the current scenario, the three major focus areas are

Ensuring the well-being of our communities, associates and partners

Ramping up production to meet the demand rebound

Prudent cash management and system cost control

With the second wave of pandemic striking India in April 2021, emerging risk factors include global shortage of specific commodities like semi-conductors, supply chain issues with localised lockdowns, and increasing commodity prices.

Key Risks & Risk Mitigation Initiatives

▼ COVID-19 Pandemic

- Implementation of countermeasures to minimise any short-term impact and mitigate any long-term impact on the Company
- Company-wide initiatives to rationalise cost structures, cash flow management, and sustained investment in new products

▼ Competitive Intensity

- Invest in new product development, technology upgrades, increasing channel reach, and focus on delivering customer-centric products, services and build brand with an aim to remain competitive in the market

▼ New Emission Norms

- Successfully met the aggressive time and cost targets set during the development of BS6 technologies
- Upgraded the product portfolio to BS6 and now offers BS6-compliant products at a competitive price
- Continue to work on cost and value engineering for easing the pressure on margins
- Working on various powertrain and vehicle level technologies such as friction reduction and electrification, for further CO₂ improvement needed to achieve the CAFE 2 (Corporate Average Fuel Economy) and RDE (Real Driving Emissions) emission norms planned for 2022-23

▼ New Products & Technologies

- A comprehensive programme for development of new products and technologies that will enable us to remain competitive in the market, cater to emerging customer expectations and to meet any legislative requirements



▼ Environment & Alternate Fuels

- Actively pursuing development of the EV market, products, and technology
- Started operation of the latest manufacturing hub in Chakan, Pune which will supply EV components

▼ Commodity Prices

- Limited the impact of rise in commodity prices through concerted efforts towards cost reduction with various initiatives including VAVE activities
- Continue to work on mitigating the inflationary impacts through 'Commodity Risk Management', cost re-engineering, and value engineering activities

▼ Capacity

- Adequate manufacturing capacity in place for the immediate future
- In the process of investing in additional capacity at Chakan Phase II
- Investing over ₹3,000 crore in the EV programme
- Working closely with key suppliers to minimise any supply constraints through proactive capacity planning and longer-term contracts
- Pursuing opportunities for global sourcing
- Swaraj Division is planning to invest in creating additional manufacturing capacity by setting up a new manufacturing plant

OPPORTUNITIES & OUTLOOK

Both the Automotive and Farm Sectors strive to sustain profitable growth, maintain the leadership position in the domestic market and at the same time, explore global opportunities for growth. Simultaneously, we continue to focus on achieving cost leadership through focused cost optimisation, productivity improvements, value engineering, supply chain management, and tapping into synergies between various group businesses.

AUTOMOTIVE SECTOR



F21 was a difficult year for the industry due to the COVID-19 pandemic. We expect the Government to work closely with the industry to put it back onto a growth path.

As per the Automotive Mission Plan 2026 (AMP 2026) the mid to long-term outlook for the Indian auto industry is positive.

Factors that will significantly impact demand for automobiles in F22 are:

- 1** Policies by the Government to boost consumption
- 2** Availability and affordability of finance
- 3** Sentiment in rural economy - driven by agri incomes
- 4** An aggressive government push for infrastructure-led growth

FARM EQUIPMENT 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. The mid to long term outlook for the Indian tractor and farm equipment industry is positive.

On the demand front, the agri and rural sector would continue to see good sentiment owing to consecutive good harvest seasons supported by good monsoon and healthy reservoir level.

Timely procurement and continued efforts by the Government of India through rural development sanctions and direct benefit transfer schemes has ensured liquidity in the hands of farmers.

For detailed information on the risks and opportunities and outlook, please refer to the Management Discussion and Analysis section, page no.119, in the Integrated Annual Report 2020-21.

INPUT-OUTPUT MODEL

INPUT

FINANCIAL CAPITAL

Total Segment Capital Employed (₹Cr)	14,222
Gross Debt to Equity Ratio	0.22
Net Capital Expenditure (₹Cr)	3,312

MANUFACTURED CAPITAL

Number of Plants in India	19
Material Cost (₹Cr)	30,177
Key Raw Materials	Steel, Iron, Rubber, Glass, Aluminium, Copper, etc.

INTELLECTUAL CAPITAL

Spend on R&D (₹Cr)	2,164
Spend on R&D (% of revenue)	4.9
R&D Nodes	MRV, Pininfarina, MANA, MAM, Sampo-Rosenlew
Patents Applied (nos.)	138
Patents Granted (nos.)	77
Design Registrations Granted (nos.)	42

HUMAN CAPITAL

Number of Permanent Employees (nos.)	19,941
Temporary / Casual / Contractual Employees (nos.)	20,678
Unionised Permanent Workforce (%)	75
Employee Benefit Expense (₹Cr)	2,859
Permanent Women Employees (nos.)	770

NATURAL CAPITAL

% of Renewable Energy	5
Total Energy Consumption (GJ)	14,87,428
Total Water Consumption (m ³)	11,15,228

SOCIAL & RELATIONSHIP CAPITAL

CSR Investment (₹Cr)	92.78*
ESOP Hours	83,789
Employee Volunteers for Various Services (nos.)	10,184
Key Focus Areas	Education, Health & Environment

Business Model showing Principal Activities

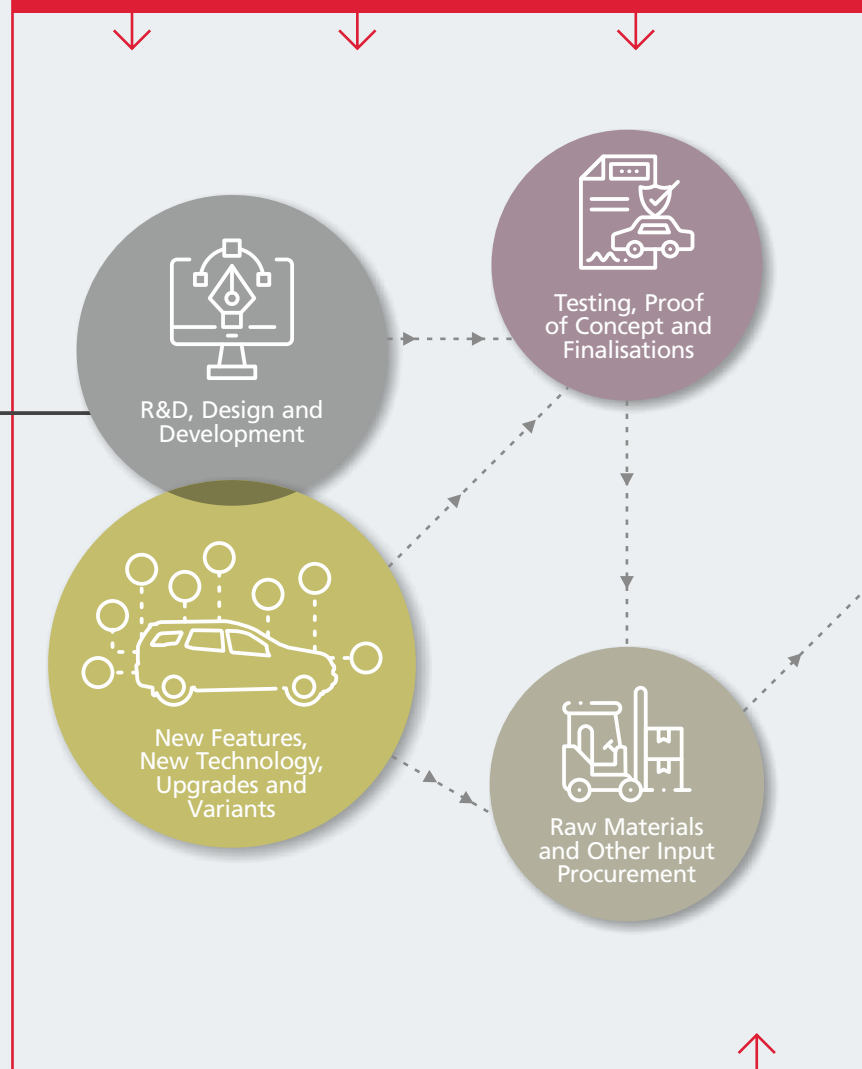
Governance

Key Aspects

STAKEHOLDER ENGAGEMENT

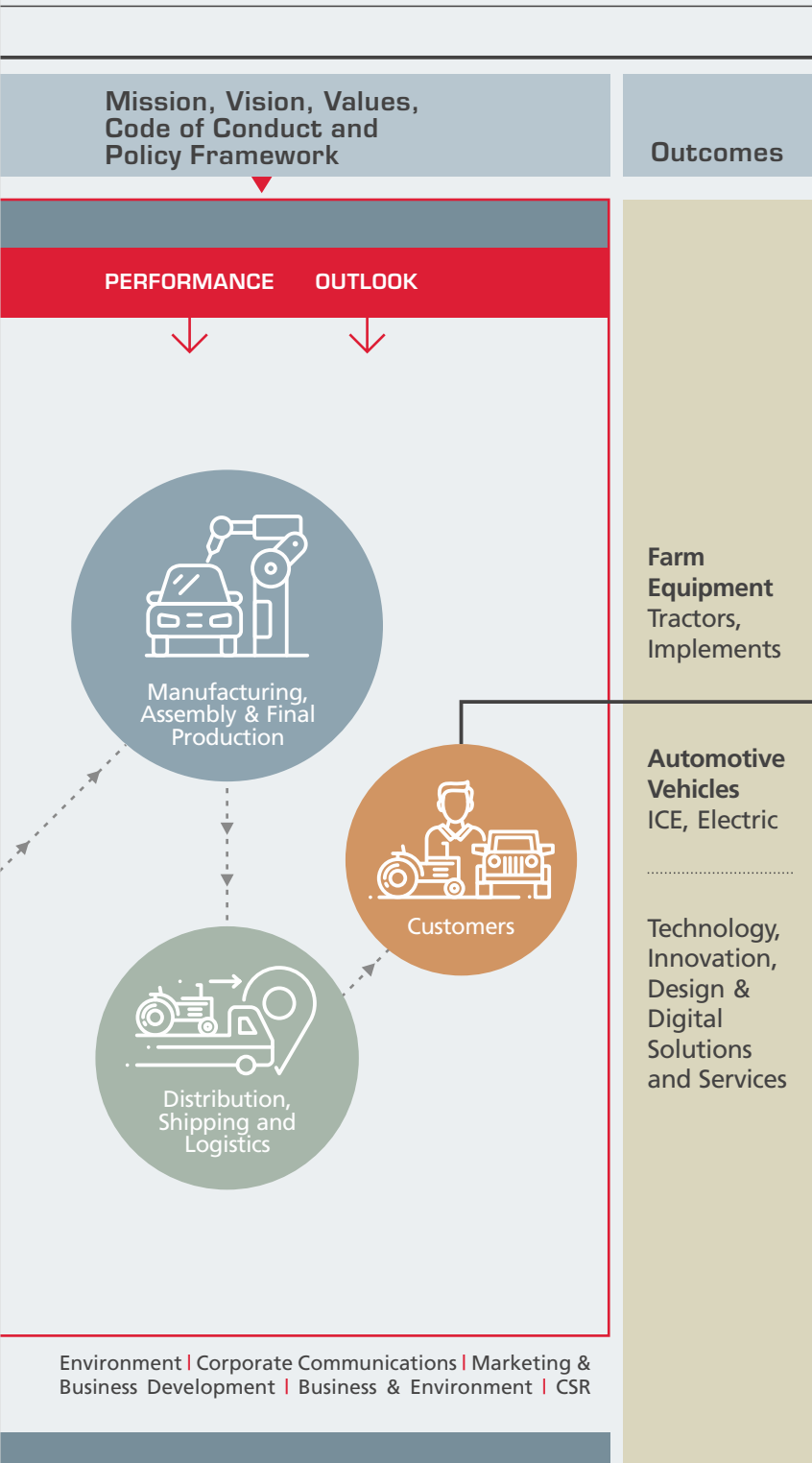
RISKS AND OPPORTUNITIES

STRATEGY & RESOURCE ALLOCATION



Human Resources | Accounts | Finance & Compliance | IT | Customer Service
Corporate Strategy & Planning | Research & Development | Safety, Health & Environment

Support Functions



OUTPUT

FINANCIAL CAPITAL

Total Income (₹Cr)	44,574
EBIDTA (₹Cr)	6,977
Net Profit (before EI) (₹Cr)	4,097
Dividend from Group Companies (₹Cr)	565

MANUFACTURED CAPITAL

Total Automotive Vehicles Sold (nos.)	3,48,621
Passenger Vehicles (nos.)	1,57,215
Commercial Vehicles (nos.)	1,56,159
Three-Wheelers (nos.)	16,897
Automotive Exports (nos.)	18,350
Total Tractors Sold (nos.)	3,54,498

INTELLECTUAL CAPITAL

New Products Launched	Auto: The All-New THAR, 3W: Treo Zor, Tractor: Plus Series, Farm Equip.: PlantingMaster Potato+
New Technologies	iMAXX, K2 Program, Digisense 4G, Krish-e

HUMAN CAPITAL

Permanent Employees Trained (nos.)	16,593
Temp / Casual / Contractual Employees Trained (nos.)	14,560
Complaints on Child / Involuntary Labour	NIL
Complaints on Discriminatory Employment (Sexual Harassment Complaints)	7

NATURAL CAPITAL

GHG Emissions (Scope 1 - tCO ₂)	38,114
GHG Emissions (Scope 2 - tCO ₂)	1,75,862
Energy Saved (GJ)	27,317
Water Recycled & Reused (%)	43
GHG Mitigation (tCO ₂)	4,473

SOCIAL & RELATIONSHIP CAPITAL

Girls Supported under Nanhi Kali (nos.)	33,046
Youths Trained at Mahindra Pride Schools (nos.)	2,520
Youths Trained at Mahindra Pride Classrooms (nos.)	61,677
Women Farmers Supported under Project Prerna (nos.)	3,260
Total Trees Planted under Project Hariyali (million nos.)	1

Note: Financial Capital, Material Cost and R&D Spend are at M&M + MVML Level.

AWARDS & RECOGNITIONS

Our business is exposed to many internal and external risks and consequently, we have institutionalised robust systems and processes, along with appropriate review mechanisms to actively identify, monitor, manage and mitigate these risks.

FOR M&M

- Amongst the **Top Innovators In India** at the Clarivate South and South East Asia Innovation Award 2020
- Adjudged one of the **Most Trusted Brands of India 2021** by CNBC-TV18



- The All-New THAR received multiple awards:
 - Car of the Year** at the 2021 Auto Car Awards
 - Design of the Year** at BBC Top Gear Awards
 - Car of the Year 2021** at the Motoring World Awards 2021
 - First Off-roader and open roof car to receive **4-star safety rating** by the Global New Car Assessment Programme (Global NCAP)
- **5-star safety rating for XUV300** by the Global New Car Assessment Programme (Global NCAP)
- Mahindra Racing became the First Formula E team, and first FIA World Championship entrant, to be **certified Net Carbon Zero** since inception
- **2020 Leadership Award** by the US-India Strategic Partnership Forum awarded to Mr. Anand Mahindra, in recognition of his exemplary vision towards promoting US-India bilateral ties

ESG RECOGNITIONS

- Among **'100 Most Sustainably Managed Companies in the World'** by The Wall Street Journal. Ranked 17th, the highest ranking for an automobile company, also the highest ranking for an Indian company
- Only Indian company among 106 global companies to get **Double 'A' score for global climate and water stewardship** by global environmental non-profit, Carbon Disclosure Project
- Recognised among **100 companies across industries in emerging markets** by DJSI Emerging Markets Index 2020
- Among the top companies featured for its **exemplary work on ESG** in the report published by National Stock Exchange
- **India Corporate Governance & Sustainability Vision Award 2021** by The Indian Chamber of Commerce
- Group Sustainability Report awarded as **'Asia's Best Carbon Disclosure report'** by Asia Sustainability Reporting Award 2020
- Recognised as one of **India's Top Companies for Sustainability and CSR 2020** by Futurescape
- **M&M Ltd. ranks #2 on '2021 India's Best Companies to Work For' List** by Great Place to Work Institute®
- Ranked #14 on Business Today's **India's Coolest Workplaces Survey 2021**
- **COVID Crusaders Award 2020** by Indo-American Chamber of Commerce
- **India CSR Leadership Summit award to Project Perna** for empowering women farmers to become change-makers in agriculture
- **Best CSR Project Award for Project Hariyali** (the tree plantation initiative) by The Indo-French Chamber of Commerce & Industry
- M&M Ltd. Integrated Annual Report awarded the **Best Integrated Report 2020** by the Institute of Chartered Accountants of India

RISING THROUGH INNOVATIONS

We celebrate 75 years of existence in the middle of a post-pandemic world. In these times of tumult and uncertainty, we remain steadfast in our belief that only truly innovative and bold solutions will drive the transformations we need for the future. This belief shapes our products, services, and innovations, and is evident in the positive change we continue to drive for society and the environment.

Product Launches in F21

Despite the COVID-19 pandemic and the nationwide lockdown, we successfully transitioned from BS4 to BS6 with 8 engine platforms, 16 vehicle platforms, and 30 vehicle variants.

Our strategy is to build a strong and authentic SUV brand, strengthen our No. 1 position in LCV* <3.5T segment, enhance EV penetration in Indian market, and enrich farmers' lives by transforming farming through technology.

Towards this, we introduced a slew of new products during the year.

**LCV- Light Commercial Vehicle*

The All-New THAR India's Safest Off-Roader

Designed and engineered in India, the All-New THAR features two all-new BS6 compliant engines (2.0L mStallion TGD petrol engine, and 2.2L mHawk diesel engine) as options. It offers a choice of 6-speed automatic transmission or 6-speed manual transmission. Its comprehensive safety features won it a **4-star safety rating by Global NCAP** (The Global New Car Assessment Programme) – the highest safety rating for a body-on-frame SUV. **The All-New THAR crossed 50,000 bookings, within just 6 months of its launch.**



▼ Treo Zor

Treo Zor is an electric 3-wheeler cargo model with best-in-industry power and best-in-class torque and payload.



▼ SP PLUS Tractor Range

Mahindra SP PLUS tractors are extremely powerful with the lowest fuel consumption in their category. The range also boasts an industry-first 6-year warranty.



▼ Swaraj Tractors

The Swaraj Division launched the 724 4WD* – Swaraj's first compact 4WD 24HP tractor, the 742 XT tractor with a 45HP engine and the 744 XT tractor with a 50HP engine.

*4WD- Four-wheel Drive



▼ The Precision Potato Planter

PlantingMaster Potato+ is an advanced precision potato planting machinery, developed to suit Indian farming conditions, to offer higher yields and enhanced quality.



▼ iMAXX Telematics

Mahindra iMAXX is an intelligent fleet telematics solution that deploys cutting-edge telemetry technology, 4G and other leading digital technologies, to provide powerful insights on vehicle health and performance. This new telematics platform is fitted into Mahindra's BS6 compliant range of BLAZO X HCVs*, FURIO ICVs & LCVs^, and CRUZIO buses.

*HCVs- Heavy Commercial Vehicles | ^ICVs- Intermediate Commercial Vehicles, LCVs- Light Commercial Vehicles



Our Pursuit to FutuRise

For 75 years, we have catered to the needs, wants, and aspirations of both urban and rural India with our products. We understand the diversity of their needs, and that those needs can be addressed by the singularity of our purpose – to empower people to Rise. This commitment is underlined by our thrust in the areas of design capabilities, electric mobility, and digital transformation.

▼ Advanced Design Centre for Mobility Products

The Mahindra Group would set up Mahindra Advanced Design Europe (M.A.D.E) in the West Midlands, UK, to significantly enhance its design capabilities to global scale. This new Centre of Excellence (CoE) will be a part of the Mahindra Global Design Network that includes the Mahindra India Design Studio (MIDS) in Mumbai, India, and Pininfarina Design in Turin, Italy.

M.A.D.E is a strategic enhancement of Mahindra's global design capabilities and renews its commitment to bring to its customers sophisticated, authentic SUVs with a commanding presence.

M.A.D.E and MIDS will contribute to all future automotive and mobility products, including Born EV SUVs, entire range of light & heavy commercial vehicles, small commercial vehicles including pickups, products of Last Mile Mobility (LMM), Peugeot Scooters (France), and tractors & farm machines, and also act as a resource available to Mahindra Group companies.

Delivering on the Promise of Electric Mobility

Mahindra is one of the pioneers of electric mobility in India. Our EV (electric vehicle) journey started over 20 years ago when we introduced Bijlee, considered India's first commercial and roadworthy electric vehicle.

Mahindra EVs have already completed over 295 million electric kilometres on Indian roads and have saved over 29,500 metric tons of CO₂ emissions in India, an equivalent of planting 1.35 million trees.

Several steps have been taken in the reporting year to accelerate the pace of EV penetration in Indian markets. This includes consolidation of structure, MoU, partnerships, and new launches.

Consolidation to unlock value

The Board of Directors of M&M Ltd. has granted approval for the consolidation of Mahindra Electric Mobility Limited into the Company. The consolidation would:

- Simplify the structure and drive innovation, efficiency, and manufacturing excellence while unlocking more shareholder value
- Categorise EV operations in two focused verticals: Last Mile Mobility (LMM) and Electric Vehicle Tech Centre
- Provide LMM vertical with complete ownership of value chain for last-mile mobility solutions to drive growth
- Provide EV Tech Centre with the depth of resources and synergy with M&M's larger ecosystem of product development capability

Collaboration to Tap into Growth Opportunities

Amazon India partnered with Mahindra Electric to help fulfil its commitment towards electric mobility. This is in line with Amazon India's commitment that its fleet of delivery vehicles will include 10,000 electric vehicles by 2025 in India. The Mahindra Treo Zor vehicles have been deployed in seven cities so far with Amazon India's network of Delivery Service Partners.

M&M also signed a memorandum of understanding (MoU) with REE Automotive to explore the development and manufacturing of electric commercial vehicles for global markets. This collaboration will leverage REE's corner module and modular platform technology and Mahindra's vehicle design, engineering, sourcing capability, and manufacturing assets.

Treo Zor – India's No. 1 Selling Electric Cargo

Mahindra Treo Zor, the cargo variant of the electric 3-wheeler Treo model, surpassed the sales milestone of 1,000 units within just six months of launch and was awarded the coveted 'Best SCV of the Year' at the 12th edition of Apollo CV Awards.

Digital Capabilities

The pandemic has fundamentally changed the way business is done, and more importantly the rules of customer service. We developed innovative solutions to adapt to these changes in order to ensure better safety of our customers, employees, and other stakeholders.

Reimagining Automotive Retail

We rolled out an integrated automotive web-based platform 'auto.mahindra.com' to enable customers to browse through our range of vehicles across various auto segments (such as personal vehicles, commercial vehicles, trucks & buses, and electric vehicles), locate dealers, purchase and exchange a Mahindra SUV online, book test drives, book service appointments, etc. The platform has been enabled with an innovative chatbot feature for swift query resolution and transactions.

Mahindra Robotic Automated Workforce

Our in-house automation platform has helped us reduce mundane employee tasks and enrich employee work experience across several functions like HR, finance, supply chain and core IT internal processes.

One of the examples of such automation includes IRONA, a digital employee that uses Robotic Process Automation (RPA) to simulate and automate the treasury department's mutual fund investment operations and core treasury responsibilities on a daily basis.

Genie - Digital Companion to Employees

Genie is a chatbot that serves as a personal assistant to every M&M employee. It resolves queries on HR policies, payslips, leaves, etc., enables all types of approvals through a single window, and sends personalised notifications to employees.

Kicking Off a Digital Era in Farming

India still resides in its villages and we believe that the long-term prosperity of the nation will depend on how well rural India adopts new-age farm technology and practices to increase crop yield and enhance agricultural productivity.



Internet of Things (IoT)
Digisense kits of 7,500+

No. of Centres & Beneficiaries
50+ centres & ~2 lac linked farmers

Takneek* Plots
3,200+

Rental Tractor Hours
2,25,000+



Farming Solutions &
Product Rentals



Precision
Farming



Ecosystem
Services



Digital & Physical
Agri Advisory

*Takneek Plots were developed where farmers were shown how to farm with Krish-e expertise.

▼ Krish-e for Farm Prosperity

For us, 'Farming as a Service' (FaaS) is more than just a catch-phrase; it represents the future of farming. Krish-e is M&M's new FaaS vertical. It provides a bouquet of progressive, affordable, and accessible technology-driven services to farmers.

It aims to increase farmers' income through digitally enabled services across the complete crop cycle.

These services include agronomy advisory, access to advanced farm equipment rentals and new-age precision farming solutions.

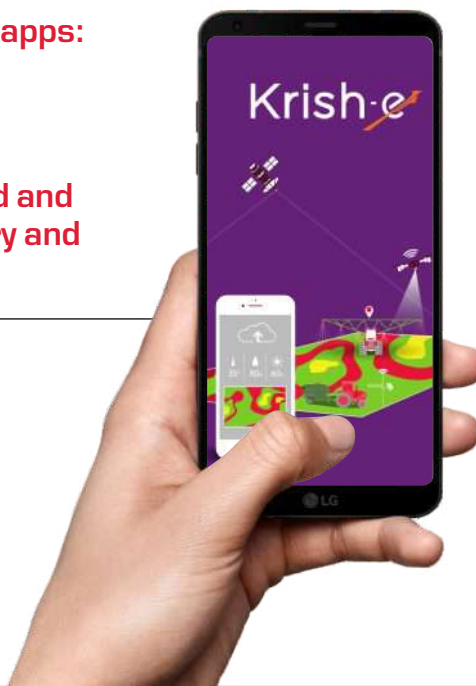
Krish-e aims to leverage the Internet of Things (IoT) and Artificial Intelligence (AI) to benefit the farming ecosystem. To enable this, M&M has made strategic investments across the globe including in Resson – a Canadian predictive analytics company, Gamaya – a Swiss hyperspectral image analytics company, and Carnot – an Indian AI-enabled Agri IoT company.



Krish-e has launched 3 apps:

- Krish-e
- Krish-e Rental
- Krish-e Nidaan

that offer differentiated and farmer focused advisory and rental services.



▼ Digisense 4G to Empower Farmers

A Next-Gen AI (Artificial Intelligence) driven open architecture connected solution, Digisense 4G improves upon the already successful Mahindra Digisense platform. This data-driven app helps farmers track their tractors and control their farming activities remotely.

It aims to empower farmers with data on their farming operations, which in turn will enable them to make more profitable decisions.

Other Developments

▼ One-stop Solution for Vehicle Scrapping

Mahindra signed an MoU with Mahindra MSTC Recycling Pvt. Ltd. (MMRPL) towards offering its customers a first-of-its-kind, end-to-end solution for handling vehicles that have reached the end of their life-cycle.

MMRPL is engaged in the business of acquiring used/end-of-life vehicles to dismantle and scrap them under the brand name of CERO. Any customer intending to purchase a new Mahindra vehicle by scrapping/ exchanging the old vehicle which is more than 15 years can do so at any Mahindra dealership.

These services would provide the utmost convenience to the customer without the need to look for a vehicle scrapping agency/dealer. This is especially relevant given the new vehicle scrapping policy announced by the Indian Government.

RISING WITH FOCUS ON ESG

ENVIRONMENT

At Mahindra, we understand the value of natural ecosystems and the risks environmental degradation can pose to our people and business. We have incorporated sustainability in our business practices right from the inception of the Company. Our efforts in sustainability in the past have bolstered our image as a responsible and progressive Company.

In the last 75 years, our commitment to serve, conserve, and rejuvenate the environment has remained steadfast. In fact, our resolve to preserve the environment has strengthened even further as the world is currently grappling with major environmental challenges.

M&M Ltd. became one of the 8 Global Transport OEMs in Leadership Band to receive "A" Ratings in CDP Climate Change and Water Security.



ESG has been our core focus for long. We aspire to "lead ESG globally" through sustained and focused programmes. We are committed to achieving the following sustainability goals.



Carbon Neutral by 2040

Science Based
Targets in place

EP 100

100% improvement in Energy Productivity

60% by 2025



100% sites ZWL certified by 2030

- India's 1st certified ZWL location @ Igatpuri
- 22/90 identified locations already certified

RE 100

100% Renewable Energy

50% by 2025



Hariyali - Plant 5 million trees/year

19 million trees planted to date

A cohesive framework, well-structured processes, and focussed interventions are the foundation of our environmental management approach.

Our 3Cs approach to protect and enhance Natural Capital



Conservation of natural resources



Continuous improvement towards rejuvenation



Comprehensive disclosures

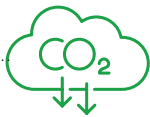
KEY MATERIALITY ISSUES

Materiality is what is relevant and important for the stakeholders and our business. To identify the material issues, we completed our materiality assessment. Various internal as well as external stakeholders were identified and engaged during the process. Based on these interactions and benchmarking with industry peers, the material issues were identified.

All stakeholders including top management, employees, suppliers, dealers, customers, investors, communities, etc. were engaged in this exercise. After mapping, prioritisation, preparation, and validation, the final materiality matrix emerged.

The key material issues on environment included:

Carbon Emission



Water Security



Waste to Wealth



REDUCTION OF GREENHOUSE GASES (GHG)



INITIATIVES

Electric Vehicles

M&M is a pioneer in bringing EVs to the Indian market, and our growing focus on EVs highlights our endeavour towards making commute more sustainable. We are addressing GHGs through Last Mile Mobility (Treo & Treo Zor), Electric Powertrain offerings on ICE platforms, and Born Electric Platform.



Cleaner and Greener Process

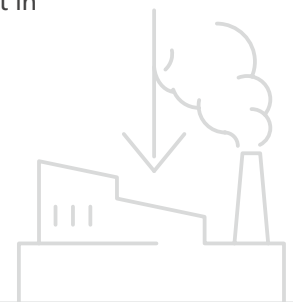
We are reducing carbon emissions by adopting cleaner and greener processes, increasing energy and resource efficiency, thus lowering the cost of fuel and electricity. We are also increasing the usage of non-fossil fuel based renewable energy in our energy mix.

Green Portfolio

The Mahindra Group is focussed on improving the revenue of its green portfolio. Our green product portfolio includes EVs, automotive recycling, solar energy, waste to energy and biogas, green buildings, and micro-irrigation.

Carbon Price

We have also implemented a carbon price of USD 10 per ton of CO₂ emitted and are investing these resources to increase the usage of renewable energy and to invest in innovative technologies and processes to increase energy efficiency.



Science-based Targets (SBT)

We are contributing our bit in the global fight against climate change by setting emission and carbon footprint reduction targets as per the Science Based Targets framework.

Targets adopted by companies to reduce greenhouse gas (GHG) emissions are considered 'Science based' if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C.



12 Mahindra Group companies had their SBTi (SBT initiative) targets approved by F20. 4 additional companies got their SBTi targets approved in F21.

Following are the companies whose SBTi targets were approved in F21:

- Mahindra Logistics Limited
- Gromax Agri Equipment Limited
- Mahindra Heavy Engines Limited
- Mahindra EPC Irrigation Limited

Carbon Neutrality

We are committed to becoming Carbon Neutral by 2040. The plans to achieve our goal include energy efficiency improvements as well as use of renewable energy and offsetting the residual emissions through carbon sinks.

Carbon neutrality plans have been approved for 15 Group companies till date.

Following are the companies whose plans were approved in F21:



- Mahindra Intertrade Limited
- Mahindra Heavy Engines Limited
- Mahindra Lifespace Developers Limited
- Mahindra World City Developers Limited
- Mahindra World City Jaipur Limited
- Bristlecone

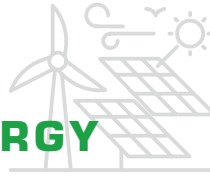
Other Developments

4,473 tCO₂ mitigated during the reporting year through energy saving measures

47% reduction committed in Scope 1 and Scope 2 GHG emissions per equivalent product unit by 2033, in line with Science Based Target initiative (base year: 2018)

30% reduction committed in Scope 3 GHG emissions per product sold unit by 2033 (base year: 2018)

11% reduction in total Scope 1 and Scope 2 emissions in F21 (compared to F20)



CONSERVATION OF ENERGY

We have a two-pronged approach to energy conservation:

Enhancing the energy productivity of our processes

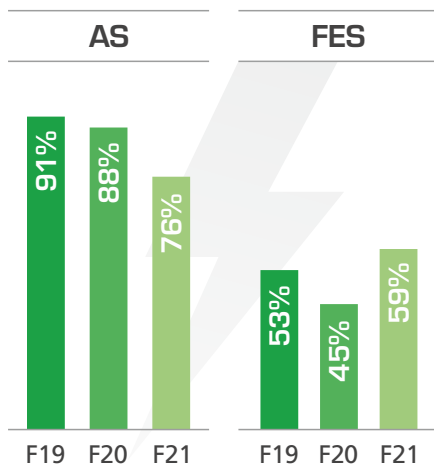
Increasing the use of energy generated through renewable sources

Some of the methods we have implemented to increase efficiency include heat recovery, energy efficient equipment, installing LED lights, green building certifications, and monitoring the energy efficiency of our major suppliers. Increasing solar and wind power capacities boosts the share of green energy in the total mix.

Energy Productivity

Close monitoring of Energy Productivity (EP) enhances our focus on energy efficiency initiatives. We record EP data separately for AS (Auto Sector) and FES (Farm Equipment Sector).

Following is the EP data trend with respect to the baseline year (2008-09):



The increase in energy productivity of FES in F21 is due to implementation of energy efficiency projects as well as expected increase in production levels.

On the other hand, the energy productivity of AS has reduced due to the impact of the pandemic on production levels.

Green Buildings

Green buildings come with multiple benefits. These buildings use less energy, water, natural resources, and have a positive impact on the environment by generating their own energy or increasing biodiversity. Following are the Mahindra facilities which have been certified as green buildings.



13 Green Building certifications till date

- Mahindra Vehicle Manufacturers Limited
- AD (Auto Division) Igatpuri
- Igatpuri Green Guest House
- Mahindra Research Valley (MRV)
- Green Campus, Mahindra Research Valley
- AD Kandivali
- Mahindra Heavy Engines Limited
- FD (Farm Division) Nagpur
- AD Zaheerabad
- Mahindra Electric Mobility Limited
- AD Nashik Plant 1
- AD Nashik Plant 2
- Mahindra Towers, Worli

Renewable Energy

We have been increasing the share of Renewable Energy (RE) in our energy mix (the share of renewables has gone up from 4% in F20 to 5% in F21), thereby ensuring environment custodianship as well as sustainable growth.

Our total renewable energy consumption in F21 increased by 19% as compared to last year.



Other Developments

▼ Solar installations

42 KWp at Nashik Plant 2 & 650 KWp at AD Igatpuri plant has helped increase the share of renewable energy at Auto Division.

178 KWp at Swaraj Plant 1 & 290 KWp at Swaraj plant 2 has helped increase share of renewable energy at Swaraj Division.

**M&M Ltd. is the
1st
Indian
Company**

to sign the contract for a trigeneration project with Energy Efficiency Services Limited (EESL). The project is implemented at Auto Division Kandivali Plant in December 2020.

WATER CONSERVATION



We have a holistic approach towards conservation of water. It includes optimising consumption, recycling as much water as possible, and capturing and recapturing to rejuvenate the water sources. At Mahindra, the demand for water keeps on growing with increased production, yet we have been water positive since F14 through our comprehensive 360° water management programme - H2Infinity.

All our initiatives are based on 3 R's (Reduce, Reuse, Recycle), and include rainwater harvesting, drip & micro irrigation, water recharging initiatives, etc. Monitoring of all the initiatives is done to optimise the consumption.

AS and FES recycled and reused 44% and 51% of their water respectively.



Water Security at Mahindra

- AD Zaheerabad has seen improvement in groundwater table level from 350 feet to 90 feet below the surface, in the last 20 years, through water conservation initiatives.
- FD Zaheerabad has improved its total groundwater recharging capacity to 5,000 kL/year (kilolitres/year).
- Swaraj Division is conserving natural resource by pond adoption. A 2-acre pond in Chappercheri village, Punjab was adopted for rainwater recharging. Water recharge potential of the adopted area is 50,000 kL/year.

Other Developments

0.15 million m³ increase in water recharge at M&M - from 0.64 million m³ in F20 to 0.79 million m³ in F21

REDUCTION OF WASTE GENERATED



Our endeavour is to foster a circular economy by minimum use of materials, reduction in waste generated, and reuse of waste. We are committed to minimise the amount of waste that enters landfills from our operations, leading to better ecosystems. **M&M Ltd. recycles & reuses 56% of the waste generated.** We have joined hands with the Government of India to set up CERO, India's first government authorised vehicle recycling company, to reduce environmental impact through the recycling of scrapped vehicles.

Mahindra is also focussing on zero waste to landfill plants. We have adopted a circular economy where the waste generated doesn't go to the landfill but becomes a resource for another industry. We are also reducing packaging waste including wood, corrugated box, and paper.

20 locations have achieved Zero Waste to Landfill (ZWL) certification within the Mahindra Group. In F21, 5 of these locations were certified ZWL.



Automotive Division

60% reduction in wood usage achieved since F16

76% reduction in paper usage since F16

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.

Locations	Diversion from Landfill
MEML (Mahindra Electric Mobility Limited)	99.41%
MHRIL (Mahindra Holidays & Resorts India Ltd.) Madikeri	100%
MHRIL Varca Goa	99.97%
MHRIL Munnar	99.01%
MWC (Mahindra World City) Chennai	99.18%

13 plant locations in M&M Ltd. have received ZWL Certifications as on the end of F21.

Other Developments

7 Mahindra plants

are sending hazardous waste like paint sludge, cotton waste, and ETP sludge at cement plants for co-processing as part of Zero Waste to Landfill initiative.

35%

of the total hazardous waste generated was co-processed in F21. This waste was previously being incinerated.

PROMOTION OF BIODIVERSITY



Mahindra is committed to preserving biodiversity for the sustainability of the business as well as local communities. We have been taking up some major initiatives to preserve biodiversity.

- Mahindra Hariyali is a key initiative to increase the green cover in our ecosystem. It is a part of the Group's efforts to create a sustainable future and to enrich the lives of the communities in which it serves.
- As part of our biodiversity policy, we collaborate with IUCN (International Union for Conservation of Nature) and IBBI (The India Business and Biodiversity Initiative) and undertake biodiversity assessments.

In F21, the Mahindra Group planted 1.14 million trees across India.



RISING WITH FOCUS ON ESG

PEOPLE

The human capital of an organisation is its most valuable asset. At Mahindra, our people are our brand ambassadors delivering product and service excellence. Hence, we consistently invest Financial Capital to ensure continual upgradation of their skills and capabilities.

For 75 years, a 'People First' approach has been the cornerstone of our culture.

Driven by our purpose to Rise above challenges, our people have displayed utmost solidarity to support their colleagues and their community during the pandemic. The Company had a total of 19,941 permanent employees on its rolls as on 31st March 2021.

Mahindra & Mahindra Automotive & Farm Equipment Sectors ranked 2nd in the list of India's Best Companies to Work For - 2021 by Great Place to Work.[®]



KEY MATERIALITY ISSUES

The key material issue for human capital was **Health and Safety**.

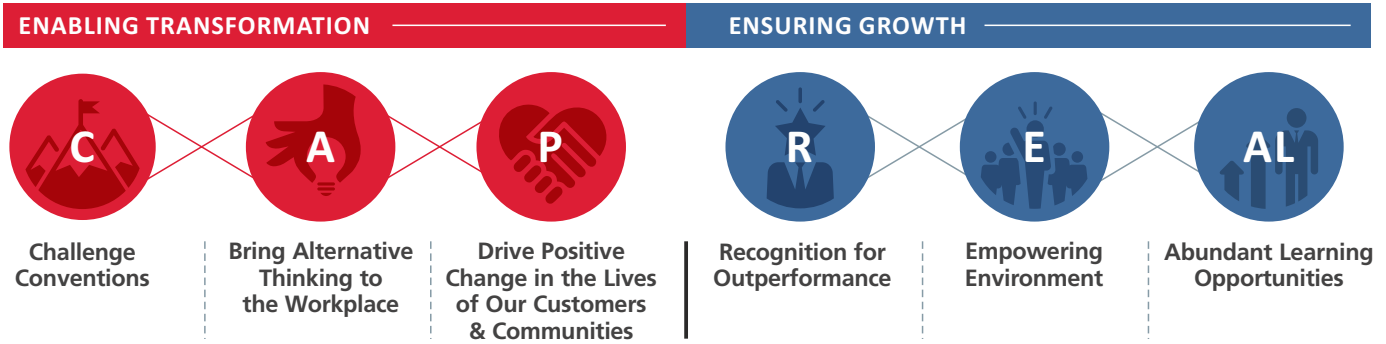
We have a total workforce of 40,619 permanent and non-permanent employees. 75% of the permanent workforce is unionised. Over 83% of the permanent employees received safety and skill upgradation training in F21.



THE MAHINDRA EMPLOYEE VALUE PROPOSITION

'CAPable People - REAL Experience' is the acronym of our Employee Value Proposition which truly represents the Rise Philosophy in terms of the type of people we onboard and the type of environment we provide them. We look for people who challenge conventions, think alternatively, and work with a purpose of driving positive change in the lives of stakeholders and communities.

We ensure growth of our employees by recognising outperformance, providing them with an empowering environment and building their capabilities by providing abundant learning opportunities. All our employee related strategies are geared to accelerate inclusive growth and drive momentum towards collaborative success.



EMPLOYEE ENGAGEMENT

Employee engagement at Mahindra is more than an HR process, it is an integral part of our vision to help employees progress. Our engagement ecosystem reflects the core purpose of Mahindra Rise to drive positive change in the lives of our stakeholders.

Workmen Engagement Survey

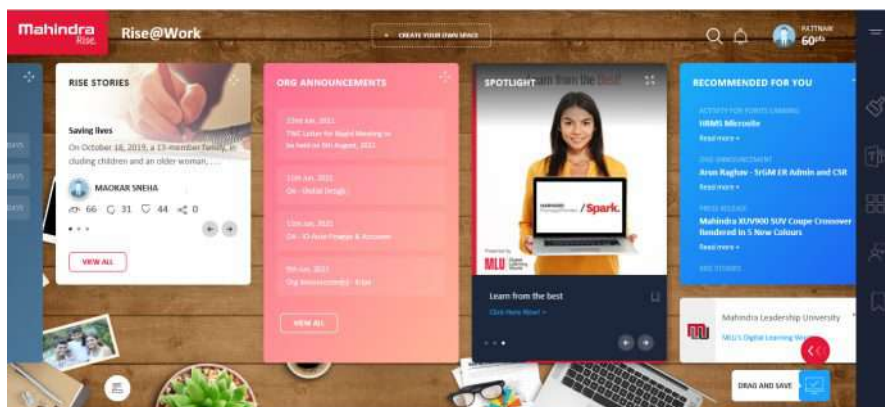
This survey helps capture the voice of workmen across our 14 manufacturing plants biannually. The questionnaire measures various aspects of engagement through 14 factors that are categorised into stimulus and response factors.

MCARES

An employee engagement construct devised to gather employee feedback on engagement parameters, it is based on five drivers: Career, Alignment, Recognition, Empowerment and Strive. The MCARES survey is administered to our employees, with a 90% response rate annually.

Rise@Work

Rise@Work portal is a gateway for Mahindra employees to share and experience Rise stories and is a one-stop solution for all employees' digital needs.



TALENT MANAGEMENT LEADERSHIP DEVELOPMENT & PERFORMANCE MANAGEMENT SYSTEMS

At Mahindra, building a pipeline of technical leaders is as important as building a pipeline of business leaders. Thus, we set up the Mahindra Research Valley (MRV) at the Auto and Farm Divisions to drive innovation and develop talent with deep technical expertise. Through MRV's unique concept of 'Tech Ladder', we identify and cultivate technical talent by working on performance management, talent management and capability building.

Today, the Tech Ladder framework successfully caters to more than 2,000 engineers, covering multiple Centres of Expertise (CoE) and project functions across Automotive and Farm Divisions.



Group Management Cadre

Strengthening Mahindra's position as an 'Employer of Choice', the Group Management Cadre (GMC) programme attracts leadership talent at entry level from top B-Schools in India. 15 GMCs joined the Group in F21. Each GMC undergoes 4 stints of 3 months each across different functions and businesses under the new experiential module.



The Mahindra Leadership University

We launched the Mahindra Leadership University (MLU), the Group's Corporate University and platform, to develop executives in leadership and functional competencies.



It encompasses all learning under one umbrella brand and is powered by the unified LMS (Learning Management System), MLU's Digital Learning World. MLU builds capabilities through its various academies that foster a culture of continuous learning. MLU Academies collaborate with the Group Sectors to implement a futuristic learning programme which includes MOOCs, eLearning, webinars, instructor-led interactive workshops and more.

Additionally, MLU has signed up for Harvard ManageMentor® Spark™, a micro-byte content library of more than 20,000 content items that are updated daily. It enables learners to advance their personal development as per their needs. This content will be available to all employees across the Mahindra Group by F22.

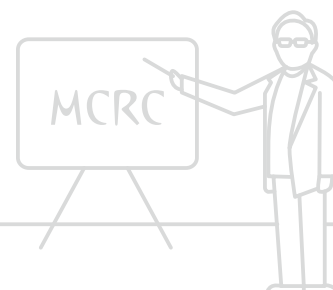
Apex Talent Councils and Sector Talent Councils

At Mahindra, crucial to the talent management process is the curation of deep-rooted conversations on talent that creates development journeys and planned learning interventions. This ensures we attract, retain, and develop top talent across the Group.

Reflective Conversations

Our initiative on Reflective Conversations (RC) to make Mahindra a Reflective Organisation has been cascaded across the Group. Till date, more than 2,600 employees have benefitted from instructor-led workshops. In F21, we developed digital solutions and modularised approaches to strengthen our reflective conversation skills.

Our focus is on building a pool of internal RC trainers, half-day refresher sessions on key RC skills, role-modelling by leaders, and a coaching certification programme titled 'Mahindra Certified Reflective Conversationalist' (MCRC). The MCRC programme has been certified by the International Coach Federation (ICF) and high potential executives have benefitted from executive coaching by MCRC participants.



DIVERSITY AND INCLUSION (D&I)

At Mahindra, we believe that diversity drives innovation and superior performance. We believe in the whole spectrum of diversity, namely gender, disability, sexual orientation, ethnicity, social, generational, and cultural. As we aspire to greater levels of diversity and inclusion in our organisation, we have undertaken the following initiatives.



Group Diversity Council

To foster diversity and inclusion (D&I) within the Group, we have instituted the Group Diversity Council. We have implemented a new metrics-driven D&I scorecard with strong focus on gender and providing flexibility to Group companies on other aspects of D&I.

Structured Hiring Programmes

We are committed to attracting and recruiting gender diverse talent through positive communication and deeper engagement channels.

- Many Mahindra Group companies have increased the targets for number of women employees in core functions like engineering, R&D, sales, and manufacturing.
- We have partnered with recruitment consultants to source gender diverse resumes for every open job.
- We have instituted the Structured Returnees Programme to enable women who have taken career breaks to re-join the workforce.

Enabling Policies

- All Mahindra Group companies provide 26-28 weeks of fully paid maternity leave, We also have several flexible work policies to ease a new mother's transition back to the workplace.
- We have comfort/feeding rooms for women employees to rest during pregnancy and cater to needs after pregnancy.
- We provide paternity leave, ranging from 7-15 days, to all new fathers to build a gender inclusive workforce.

The Valuable 500

Mahindra is part of the global business collective, 'The Valuable 500', to advance disability inclusion in organisations. The Valuable 500 has now launched phase 2 of its campaign. As one of the 13 Iconic Leaders across The Valuable 500, we are working with the collective on the Valuable Talent Project - an AI-based job portal for people with disabilities.

POSH (Prevention of Sexual Harassment)

We re-launched the 'Speak Up' campaign to focus on virtual working and reiterate Mahindra's commitment to provide a safe workplace to all its employees during the pandemic as well.



TRANSFORMATIONAL WORK CULTURE

The Transformational Work Culture initiative aims to create an engaged workforce with an innovative, productive and a competitive shop floor ecosystem. These programmes include Rise for Associates, Cultural Diagnostics Projects, Transformational Work Culture Projects, as well as Industrial Relations Skills for Frontline Officers, E-Portal for Reward and Recognition of Associates, Code of Conduct for Associates and E-Compliance.

We have constituted an Employee Relations Council that will promote the work of the Committee and lead the design, implementation, and review of these programmes. To improve quality, safety, and productivity, our Company's shop floor associates generated on an average 11.5 ideas per person.

We organised a 'Mindset Transformation' training for cell members and union leaders titled 'Nayi Soch - Naya Dristikon' and various skill building programmes aligned with digitisation at workplace.

Industrial Relations

We witnessed a very positive Industrial Relations scenario across all manufacturing locations of Automotive and Farm Divisions. Bonus settlements were amicably agreed upon at all locations and sustained efforts to build a transformational work culture that resulted in zero production loss in F21.

Open Door Policy

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, are the cornerstones of the Company's employee relations approach.

An 'open door policy' with constant dialogue to create win-win situations has helped build trust and harmony.

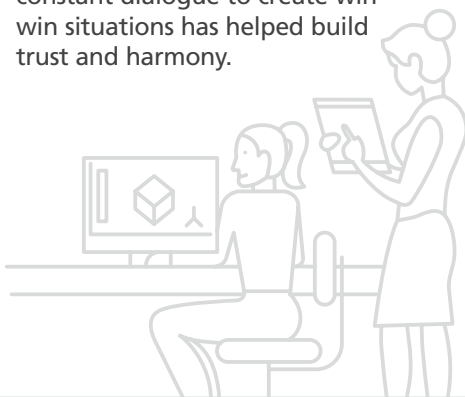
Mahindra Skill Excellence



The organisation implements multiple training and engagement programmes with a holistic approach to enhance the skill and capabilities of shop floor associates. These include various programmes on team effectiveness, individual effectiveness, safety and environment, quality tools, TPM (total productive maintenance), skill building, and union leadership development. In F21 all international competitions were put on hold to curb the spread of the pandemic.

Ensuring a Healthy Work Environment

Our health initiatives include annual medical check-ups, screening camps, emphasising balanced nutritious meals, health promotional activities, and awareness programmes. We maintain individual 'Employee Health Index' to identify employees who require counselling and support. We also have a 'Wellness App' for employees to access critical health information.



RISING WITH FOCUS ON ESG

SOCIAL

A company's long-term growth is intrinsically intertwined with the progress of the communities it operates in.

Since our inception 75 years ago, we have been driven by our purpose of doing business that not only generates prosperity but also amplifies the welfare of the society. Our approach to CSR goes far beyond philanthropy as we devise interventions that create sustainable social progress.

At Mahindra, we enable our stakeholders to Rise by driving positive change in their lives. It's a way of life that stems from our philosophy of 'Rising for Good' and is the cornerstone of all our practices.

Given our unwavering commitment to national priorities for development, we focus on CSR projects for girls, youth, and farmers through initiatives that support education, health, and the environment.

M&M Ltd. invested ₹92.78 cr

in various CSR projects to positively impact the communities. This excludes the ₹20 cr donation made by the Company to the PM CARES Fund in F20.



KEY MATERIALITY ISSUES

Our key material issue in social capital is 'CSR Management'. M&M formulates community policies and a sustainability strategy that addresses major societal issues through myriad CSR projects across the nation, a few of which have been highlighted in this section.



CSR PROJECTS

Project Nanhi Kali

We believe that true societal development will only occur when we invest in the education of girls. Our flagship CSR initiative, Project Nanhi Kali, supports the education of underprivileged girls in India who must often overcome deeply entrenched social restrictions and financial constraints to fulfil their dreams.



1.72 lac girls benefitted across 6,346 academic support centres in 9 states. Of these, 73,669 girls were supported by the Mahindra Group - the largest corporate contributor to the Project, and 33,046 girls were supported by M&M Ltd.

The project provides 360-degree support to girls from Classes 1 to 10, including two hours of free after-school remedial classes every day and an annual school supplies kit to enable them to attend school with dignity. Additionally, to bridge the gap in digital literacy, digital tablets pre-loaded with AI-based learning software have been provided to the girls.

This year, despite government school closures caused by the COVID-19 pandemic, temporary community based Nanhi Kali Academic Support Centres were set up, with due permissions from the government authorities, to ensure continued educational support to the 'Nanhi Kalis'.

Mahindra Pride Schools

Transforming the untapped potential of India's youth to enable them to Rise above their circumstances towards careers of growth requires specialised skill development.

The Mahindra Pride School (MPS) is a unique 90-day livelihood training programme for youths from socially and financially disadvantaged communities. Training is provided in the four domains of ITES, retail, hospitality and auto along with compulsory training in life skills, spoken English and computer skills.

4,342 students trained in F21 by the Mahindra Group via 7 MPSs in Pune, Chandigarh, Hyderabad, Varanasi and 3 MPSs in Chennai.

Of these, M&M Ltd. supported the schools in Chandigarh, Varanasi and 2 schools in Chennai, which collectively skilled 2,520 students. Since its inception, 43,622 students have been trained through this programme. MPS has a track record of 100% placements. However, placements of students in F20 and F21 have been adversely impacted due to the ongoing pandemic.



In F21, 92,304 youths from polytechnics, ITIs, arts & science colleges across 13 states of India, received training through 1,816 Mahindra Pride Classrooms (MPC). Of these, 61,677 were supported by M&M Ltd.

The Mahindra Pride Classrooms provide 20-40 hours of training modules to final year students on English speaking, life skills, aptitude, interview preparedness & group discussion, and digital literacy.

In F21, delivery of instructions in MPS and MPC was conducted through virtual classrooms, thereby complying with the government regulations and keeping the dreams of our youth alive.

Till date, 3,79,721 students have been trained through 8,335 Mahindra Pride Classrooms since its inception.

Project Hariyali

In 2007, the Mahindra Group launched Mahindra Hariyali with the aim of adding 1 million trees to India's green cover every year. Today the project has transformed into a massive movement, with employees, customers, vendors, and dealers undertaking tree plantation drives across the country.

1 million trees planted
by M&M Ltd. in F21 to
increase India's green cover.

Of these, 0.90 million trees were planted in the Araku Valley to provide livelihood support to tribal farmers growing coffee in the region. In F21, the Mahindra Group planted a total 1.14 million trees. Till date, 19.08 million trees have been planted through Mahindra Hariyali.



Project Prerna

Project Prerna was launched in 2018 by M&M Ltd. to empower women farmers in India by enhancing their knowledge, capability, and income.

Key interventions under this initiative include seed and sapling support, provision of kitchen garden for better nourishment of their family, construction of farm ponds and check dams for water availability, health awareness programmes through digital platforms, crop care & cultivation sessions through Krishi Vigyan Kendras, online capability building training, and rice transplanters training.

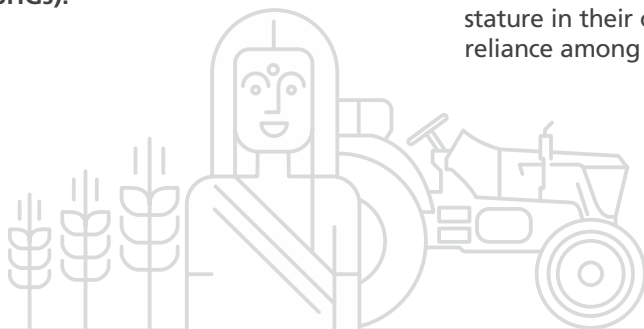
M&M has also imparted training for driving tractors and technical guidance for operating farm implements to Self Help Groups (SHGs).

3,260 women farmers

supported under Project Prerna by M&M in the vicinity of its manufacturing plants in Maharashtra, Telangana, Uttarakhand, Rajasthan, and Madhya Pradesh.



Through Project Prerna, women farmers witness an average 30-40% rise in their incomes, develop an entrepreneurial mindset and earn a dignified stature in their community. It imparts not only skills but also ensures self-reliance among women farmers.



Integrated Watershed Management Programme (IWMP)

M&M actively undertakes initiatives to protect and restore water resources of communities to support sustainable development. To increase the groundwater levels, M&M entered a Private Public Partnership (PPP) with the Government of Madhya Pradesh in Bhopal, and with the National Bank for Agriculture and Rural Development (NABARD) in Hatta, benefitting 48 villages.

38,447 total number of residents

whose overall standard of living has been improved by IWMP.



M&M has also partnered with NABARD for a watershed project in Igatpuri, Maharashtra, covering 20 villages and benefitting more than 23,020 individuals. Additionally, M&M took up four projects with NABARD for capacity building among farmers who gained insights and skills on soil conservation. M&M also initiated a climate proofing project in 3 micro watersheds to develop climate change resilient practices impacting over 3,453 beneficiaries.

Saving Lives with Safer Roads

M&M Ltd., SaveLIFE Foundation and Maharashtra State Road Development Corporation Ltd. (MSRDC) have partnered to make the Mumbai-Pune Expressway a near 'Zero Fatality Corridor' (ZFC) by 2021. This includes interventions centred around the 4Es i.e., Engineering, Enforcement, Education, and Emergency Response; this also includes training long haul drivers and the police force in life-saving skills. Going ahead, the SaveLIFE Foundation and M&M will work to make the Mumbai-Nagpur Samruddhi Mahamarg (SMM) near Zero Fatality.



Employee Volunteering: Employee Social Options (ESOPs) and MySeva

ESOPs is a long-running employee volunteering programme, where Mahindra employees channelise their time and skills to address the needs of local communities.



31,503 employees from the Mahindra Group contributed

2,72,467 person-hours towards various social initiatives, despite the challenges posed by the pandemic in F21. Of these, 83,789 person-hours were contributed by 10,184 M&M employees.

M&M also launched the MySeva initiative for employees, which aimed to extend the spirit of giving back in a personal capacity as well. Of the total volunteering hours across the Group, employees contributed 51,625 hours through the MySeva initiative and the remaining through the ESOPs initiatives.

Combating COVID, Strengthening Communities

- ₹9.22 crore was collected as donations from Mahindra employees for the COVID-19 Relief Fund set up at Mahindra Foundation. Of these, ₹7.98 crore has been disbursed as of 31st March 2021 to benefit 1,99,079 underprivileged individuals. The support has been in the form of supply of dry ration & groceries, PPE, sanitisers, masks, and other relief material, as well as direct sustenance grant to beneficiaries' bank accounts to enable them to tide over difficult times.
- As of 31st March 2021, the Mahindra Group has **distributed 4,06,700 face shields, 14,35,950 face masks and 624 aerosol boxes** to hospitals and frontline workers. The Group has also **distributed 5,25,068 cooked food packets, and ration and other essentials to 7,03,486 individuals** including migrant workers and communities around its office and factory locations.
- M&M Ltd. provided CSR grant to Ratna Nidhi Charitable Trust (partnering with Brihanmumbai Municipal Corporation or BMC) for purchase of ICU beds for the BMC managed COVID care centre at the NESCO convention centre in Goregaon, Mumbai. After the pandemic, these beds would be donated to healthcare centres with inadequate medical infrastructure in the rural areas of Maharashtra.



- With the objective of building resilient communities, M&M's long-term focus has been towards supporting the livelihood of communities, particularly migrant workers, adversely affected by the pandemic.

This was done through a partnership with Swades Foundation for providing livelihood support to 679 COVID-19 impacted households in Raigad district of Maharashtra. M&M also partnered with Naandi Foundation to support 6,000 individuals through an Agri-Entrepreneurship Skilling Programme.









STAKEHOLDER ENGAGEMENT

Effective engagement helps translate stakeholder needs into organisational goals and creates the basis for effective strategy development. Stakeholder Engagement Mechanisms form an integral part of our strategy for sustainable growth. We have a consistent flow of feedback from all stakeholders including our suppliers, customers, employees, investors, etc.

Our Stakeholder Engagement Mechanisms

Each stakeholder is different and has different needs. Our Engagement Mechanisms are therefore designed to suit the unique needs of our stakeholders and foster effective communication with them.

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, employees' 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 of Mahindra Rise

With the emergence of digital media, online engagement with stakeholders has become vital. Our corporate brand handle - Mahindra Rise, enables us to communicate with our stakeholders interactively and in real time.



9,17,804
fans



13,15,163
followers



5,88,027
followers



295K
Subscribers



100K
followers



ANNUAL REPORT 2020-21

MAHINDRA & MAHINDRA LTD.

Corporate Information

COMMITTEES OF THE BOARD

Audit Committee

Mr. T. N. Manoharan - *Chairman*
Ms. Shikha Sharma
Mr. Vikram Singh Mehta
Mr. Haigreve Khaitan

Stakeholders Relationship Committee

Mr. Haigreve Khaitan - *Chairman*
Mr. Anand G. Mahindra
Dr. Vishakha N. Desai
Dr. Anish Shah

Governance, Nomination and Remuneration Committee

Mr. Vikram Singh Mehta - *Chairman*
Ms. Shikha Sharma
Mr. Haigreve Khaitan
Ms. Nisaba Godrej

Corporate Social Responsibility Committee

Dr. Vishakha N. Desai - *Chairperson*
Mr. Anand G. Mahindra
Dr. Anish Shah
Mr. Vikram Singh Mehta
Mr. Muthiah Murugappan

Strategic Investment Committee

Mr. Anand G. Mahindra - *Chairman*
Mr. Vikram Singh Mehta
Mr. T. N. Manoharan
Ms. Shikha Sharma
Mr. Vijay Kumar Sharma

Loans & Investment Committee

Mr. Anand G. Mahindra - *Chairman*
Dr. Anish Shah
Mr. Vikram Singh Mehta
Ms. Shikha Sharma
Mr. Haigreve Khaitan

Risk Management Committee

Dr. Anish Shah - *Chairman*
Mr. T. N. Manoharan
Ms. Shikha Sharma
Mr. Rajesh Jejurikar
Mr. Vikram Singh Mehta
Mr. Haigreve Khaitan

Chairman Emeritus

Mr. Keshub Mahindra

Board of Directors

Mr. Anand G. Mahindra
Executive Chairman

Dr. Anish Shah
*Managing Director and
Chief Executive Officer*

Mr. Rajesh Jejurikar
*Executive Director -
(Auto & Farm Sectors)*

Mr. Vikram Singh Mehta
Lead Independent Director

Dr. Vishakha N. Desai
Independent Director

Mr. T. N. Manoharan
Independent Director

Mr. Haigreve Khaitan
Independent Director

Ms. Shikha Sharma
Independent Director

Ms. Nisaba Godrej
Independent Director

Mr. Muthiah Murugappan
Independent Director

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

Mr. CP Gurnani
*Non-Executive
Non-Independent Director*

Mr. Manoj Bhat
*President & Group Chief
Financial Officer*

Mr. Narayan Shankar
Company Secretary

Bankers

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

Auditors

BSR & Co. LLP
14th Floor, Central B Wing and
North C Wing, Nesco IT Park 4,
Nesco Centre, Western
Express Highway, Goregaon (East),
Mumbai- 400063, India.

Advocates

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

Registered Office Gateway Building, Apollo Bunder, Mumbai- 400001, India.

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, 2021.

A. FINANCIAL AND OPERATIONAL HIGHLIGHTS

(Rs. in crores)

Particulars	2021	2020
Revenue from Operations.....	45,041	45,488
Other Income	1,221	1,668
Profit before Depreciation, Finance Costs, Exceptional items and Taxation.....	7,727	7,466
Less: Depreciation, Amortisation and Impairment Expenses	2,233	2,223
Profit before Finance Costs, Exceptional items and Taxation	5,494	5,243
Less: Finance Costs	371	113
Profit before Exceptional items and Taxation...	5,123	5,130
Add: Exceptional items.....	(3,663)	(2,014)
Profit before Taxation	1,460	3,116
Less: Tax Expense	1,191	1,785
Profit for the year.....	269	1,331
Balance of profit for earlier years.....	29,102	28,967
Less: Transfer to Debenture Redemption Reserve	—	—
Profits available for appropriation.....	29,371	30,298
Add: Other Comprehensive Income/(Loss)* ..	(60)	(8)
Less: Dividend paid on Equity Shares.....	292	1,057
Less: Income-tax on Dividend paid.....	—	131
Balance carried forward.....	29,019	29,102

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

Financial Year 2021 was one of the worst years for the Indian economy since independence. As per the Second Advanced Estimates of National Income released by the CSO, real economic activity is expected to have contracted by 6.5% during the fiscal as the COVID-19 pandemic took a toll on economic activity. This was the first instance of a contraction since the Financial Year 1980. Nominal per capita income fell quite sharply during the year.

The pandemic hit all segments of the economy quite hard with the manufacturing, construction and services

segments reporting large contractions during the fiscal. Agriculture, however, was the lone bright spot in the economy, growing by 3.6% in the Financial Year 2021. Rural areas were not hit as hard by COVID-19 vis-à-vis urban India. Besides, the Government also proactively intervened and supported this segment by way of cash and kind transfers, record food grain procurement, frontloading rural-related Government spending, hiking MGNREGA spending sharply, initiating a temporary rural works program for returnee migrants and ensuring ample supply of credit. All these measures provided support to the segment. India's food grain output is estimated to have touched 305.4 million tonnes in Financial Year 2021 which is the highest level ever. Likewise, horticulture output is also pegged at a record level of 326.6 million tonnes during the year.

On the demand side, all drivers of economic activity fared poorly in the Financial Year 2021. Private consumption spending declined sharply owing to a fall in Household incomes while capital formation contracted as the private sector delayed investments owing to weak demand and low capacity utilisation levels. Exports also fell sharply with a contraction in world trade volumes owing to weak demand across the globe.

The Profit for the year before Depreciation, Finance Costs, Exceptional items and Taxation recorded an increase of 3.5% at Rs. 7,727 crores as against Rs. 7,466 crores in the previous year. Profit after tax decreased by 79.8% at Rs. 269 crores as against Rs. 1,331 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.

Details of Material Changes from the end of the Financial Year till the date of this Report

The rampant spread of the Second Wave of COVID-19 and Lockdowns enforced in various States/Parts of the Country coupled with disruption in the supply of oxygen for industrial use, demand and supply for Vehicles and Tractors is expected to be impacted temporarily.

In addition, on the supply side, global shortage of micro-processors (semi-conductors) used in Electronic Control Unit (ECUs) fitted in different components/aggregates for Vehicles continues to pose challenges to the smooth Production Schedules.

The Company's estimated Sales Volume for the Quarter ending June 2021 is expected to be lower by 15-20% as compared to the fourth quarter of Financial Year 2020-21.

The Revenue and profitability will be impacted in line with the fall in Volumes as mentioned above. However, the Company is taking various cost optimisation measures to limit the adverse impact.

The Company is also carefully reviewing the demand and supply situation and re-calibrating its operations accordingly while protecting the interest of its customers, dealers and suppliers. The endeavour is to ensure optimal level of inventory at plants and dealerships in order to be prepared for a rebound in demand once the situation returns to normalcy.

Performance Review

Automotive Sector

Your Company's Automotive Sector posted total sales of 3,48,621 vehicles (3,31,384 Passenger vehicles, commercial vehicles and 17,237 three-wheelers) as against a total of 4,71,141 vehicles (4,11,345 four-wheelers and 59,796 three-wheelers) in the previous year, registering a de-growth of 26.0%.

In the domestic market, your Company sold a total of 3,30,271 vehicles as compared to 4,44,218 vehicles in the previous year, resulting in a de-growth of 25.7%.

In the Passenger Vehicle (PV) segment, your Company sold 1,57,215 vehicles [including 1,55,530 Utility Vehicles (UVs), 1,676 Vans and 9 Cars] registering a de-growth of 15.9%, as compared to the previous year's volume of 1,86,942 vehicles [including 1,79,405 UVs, 6,679 Vans and 858 Cars].

In the Commercial Vehicle (CV) segment, your Company sold 1,56,159 vehicles [including 23,789 vehicles <2T GVW, 1,28,100 vehicles between 2-3.5T GVW, 1,160 Light Commercial Vehicles (LCVs) in the LCV >3.5T segment, 684 vehicles in the 7.5-16.2T GVW segment and 2,426 Heavy Commercial Vehicles (HCVs)] registering a de-growth of 21.6% over the previous year's volume of 1,99,131 vehicles [including 36,475 vehicles <2T GVW,

1,51,384 vehicles between 2-3.5T GVW, 5,415 LCVs in the LCV > 3.5T segment, 760 vehicles in the 7.5-16.2T GVW segment and 5,097 HCVs].

In the three-wheeler segment, your Company sold 16,897 three-wheelers, registering a de-growth of 70.9% over the previous year's volume of 58,145 three-wheelers.

For the year under review, the Indian automotive industry (except 2W) de-grew by 15.3%, with the PV industry de-growth of 2.2% and CV industry de-growth of 20.8%. The UV segment was the only segment to show growth in Financial Year 2021 with 12.1%. Within the CV industry, the LCV goods <3.5T segment de-grew by 11.0% while the HCV goods segment de-grew by 14.5%.

Your Company's UV volumes stood at 1,55,530 units, a de-growth of 13.3%. The UV market share for your Company stood at 14.7%. For the year under review, your Company's PV volume stood at 1,57,215 units with a market share of 5.8%. The stylish and off-roader New Thar launched in October 2020, performed well in the UV segment with a volume of 14,186 units for the Financial Year 2021. Scorpio, XUV500 and Bolero continued to be strong brands for your Company in the UV segment.

In the LCV<3.5T segment, your Company retained its No.1 position with a 41.5% market share. Your Company sold a total of 1,51,889 vehicles in this segment. Your Company has a market share of 56.8% in the LCV 2-3.5T segment, which is the Pik-UP segment.

In the Medium and Heavy Commercial Segment (MHCV) segment, your Company sold 3,110 trucks as against 5,857 in the previous year. This is a de-growth of 46.9%. Your Company's market share in the HCV segment stands at 2.8%.

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) 5,418 EVs (27 four wheelers and 5,391 three-wheelers) as against 14,602 EVs (966 four wheelers and 13,636 three-wheelers) in the previous year.

During the year under review, your Company posted an export volume of 18,350 vehicles as against the previous year's exports of 26,923 vehicles. This is a de-growth of 31.8%.

The spare parts sales for the year stood at Rs. 2,165.3 crores (including exports of Rs. 133.5 crores) as compared to Rs. 2,494.5 crores (including exports of Rs. 230.8 crores) in the previous year, registering a de-growth of 13.2%.

■ Farm Equipment Sector

Your Company's Farm Equipment Sector recorded total sales of 3,54,498 tractors (domestic + export) as against 3,01,915 tractors sold in the previous year, registering a growth of 17.4%. This includes 3,067 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 highest ever sales of 8,99,407 tractors, a growth of 26.9%. Tractor Industry recorded growth in Financial Year 2021 after a de-growth in Financial Year 2020.

In the domestic market, your Company sold 3,43,833 tractors (including Gromax Agri Equipment Limited), as compared to 2,91,901 tractors in the previous year, recording a growth of 17.8%. It is the highest ever volume sold for your Company. Given the COVID-19 situation, the Company faced constraints on supply chain and supplier capacity; hence market share is not a good performance indicator for Financial Year 2021. With the market share at 38.2%, the Company continues to be the market leader for the 38th consecutive year. Your Company's performance was supported by good performance of all products in the portfolio.

Your Company continues to focus on growing the farm mechanisation space, by offering affordable mechanisation solutions. The portfolio comprises of Rotavators, Cultivators, Harvesters, Rice transplanters, Balers and Sprayers.

For the year under review, your Company exported 10,665 tractors which is a growth of 6.5% over the previous year.

Spare parts net sales for the year stood at Rs. 758.2 crores (including exports of Rs. 48.8 crores) in Financial Year 2021 as compared to Rs. 718.2 crores (including exports of Rs. 42.4 crores) in the previous Financial year 2020, registering a growth of 5.6%.

Other Businesses

■ Mahindra Powerol

Under the Powerol brand, your Company has been a leader in providing power back-up solutions to the telecom industry for over a decade. To cater to the

changing customer needs, your Company continues to consolidate its presence in tele-infra management and in the energy management solutions space. In the overall genset business, your Company is No. 2 brand by volume, offering a wide range of solutions from Lower KVA range to mid to higher KVA range.

Your Company is also focusing on Gas Powered Gensets and presently offers solutions in 25 to 125 KVA range. In addition to lowering emission, these gensets offer a significantly lower operating cost. This segment will be the future growth area.

With a focus on green energy solutions, your Company also offers Energy Storage Solutions powered with Lithium-ion batteries. These are for application in telecom towers and bank ATMs. With the evolving BS IV engine demands, your Company's Industrial Equipment vertical has already taken the first mover advantage and introduced various nodes to its customers.

Despite the pandemic, Powerol was offering relentless service and support to emergency services like healthcare, telecom, etc.

■ Construction Equipment Business

For the year under review, your Company (under the Mahindra EarthMaster brand) sold 681 Backhoe Loaders (BHLs) as compared to 880 in the Financial Year 2020, which is a de-growth of 22.6%. The Construction Equipment industry recovered in the second quarter onwards. With the increasing focus and spend in infrastructure sector by the Government, the BHL market in India grew by 21% over the previous year.

Your Company also has presence in the road construction equipment business through motor graders (under the Mahindra RoadMaster brand). During the year under review, your Company sold 82 motor graders.

■ Two-Wheeler Business

In line with the strategy for the two-wheeler business, your Company through its subsidiary, Classic Legends Private Limited had reintroduced the iconic brand 'Jawa' to the Indian market in the Financial Year 2019, with the launch of new range of JAWA motorcycles - Jawa and Jawa Forty-Two. A new addition to that range - JAWA Perak was launched in the Financial Year 2019-20 and the sale of the same started in the Financial Year 2020-21.

Current Year's review

During the period 1st April, 2021 to 27th May, 2021, 43,414 vehicles were produced as against 2,656 vehicles and 38,959 vehicles were dispatched as against 2,700 vehicles during the corresponding period in the last year. During the same period 55,904 tractors were produced and 55,682 tractors dispatched as against 8,445 tractors produced and 9,307 tractors dispatched during the corresponding period in the previous year.

The world continues to recover from the biggest crisis it has faced in the modern times. Vaccination drives have been initiated across major economies since January 2021 and the pace of vaccination would be critical to support economic recovery in the medium term particularly as one country after another continue to reel under fresh waves of infections and newer strains of the virus. The IMF expects global economic activity to rebound with projections of a 6% growth in 2021 after a 3.3% contraction in 2020. The strength of the recovery varies across countries, depending upon the severity of the crisis, the extent of disruptions and the effectiveness of policy support.

The RBI expects India's economic activity to rebound quite strongly, with a growth projection of 10.5% for the Financial Year 2022. Both, fiscal and monetary policy have lent support to India's growth recovery in Financial Year 2021 and this support is expected to continue through Financial Year 2022. The Financial Year 2022 Union Budget clearly focused on growth, not just for now but also for the medium term with a laser focus on reviving investment demand. Government Capex has significantly higher multipliers than other forms of spending and would play an important role in substituting and even crowding in private investments in the economy at a time when private sector investment demand is likely to remain subdued. The RBI cut rates, infused significant liquidity and eased regulatory burden to support the economy and has guided that it would continue with the accommodative stance as long as necessary to sustain growth on a durable basis.

The ongoing second wave of infections since end-February 2021 with many States imposing localised lockdowns and restrictions and any future fresh waves of infections, like those seen in other major economies, impart downside risks and huge uncertainty to the growth trajectory. However, rapid mass vaccination and timely fiscal and monetary support could provide the necessary backstop to economic activity.

Finance

Financial Year 2020-21 was an unprecedented year by all means, as the outbreak of COVID-19 pandemic not only resulted in the loss of countless human lives, it also impacted the global trade and commerce severely. Most major economies entered recession during the year, as widespread lockdown measures to contain the spread of the pandemic brought business activities to a standstill. Leave aside interest rates, it was the year in which even 'oil' treaded into the negative territory. The global output declined by 3.3% in the calendar year 2020, as per IMF estimates, and most of the major economies, except China, registered a negative growth.

In order to support the battered economies, Central Banks came to the forefront, announcing massive rate cuts and stimulus measures, doling out trillions of dollars to pump growth. Policy easing by the Central Banks was timely, swift, significant in scale and most importantly coordinated. Meanwhile, Central Governments juggled to maintain the right balance between containing the spread of the pandemic through strict lockdown measures and re-opening the economies to boost consumption.

Unfazed by the subdued business activity, the equity markets across the world roared back from the March 2020 lows and rose sharply during the later part of the year. The gains in the equity markets were driven by prospects of synchronous growth recovery in 2021-22, fuelled by sustained fiscal policy support and further aided by a global vaccination drive.

The year 2020 saw global bond yields plunge to record lows amidst large scale rate cuts and accommodative monetary policy stance of Central Banks to aid growth and counter the impact of COVID-19 pandemic. Yields have risen sharply since end-2020 across the globe, led by US, as inflation pressures are rising across. As Bond yields surge, markets are seen to be discounting the Central Banks' assurances of continued accommodative monetary policy.

Commodity prices also witnessed an unabated rally during the year, with most of commodities touching record highs in the pandemic-stricken year. However, this was not before COVID-19 had caused widespread declines in commodity prices in the first half of Calendar Year 2020. The rally since then has been fuelled by a strong economic recovery in China, massive fiscal and monetary stimulus, stronger push towards renewable energy, supply side disruptions and the return of commodities as an asset class amidst economic uncertainty.

As the year 2020 drew to a close, the ramp up of global vaccination drive provided optimism about a strong vaccine-led growth recovery in 2021. However, this crisis will likely leave scars well into medium term as labour markets take time to heal, investment is held back by uncertainty and Balance Sheet problems. As per the latest IMF estimates, the global economy is expected to rebound by 6% in 2021 but would moderate to 4.4% in 2022 for the aforementioned reasons.

The global community still confronts extreme social and economic strain, with the rising human toll worldwide amidst the resurgence of COVID-19 wave. Moreover, burgeoning debt and deficits, rising inflation and impact of unwinding of quantitative easing are some key risks that persist.

On the domestic front, India also witnessed sharp slowdown during the year. The Central Government announced strict nationwide lockdown in March 2020, which was followed by several localized lockdowns across States during the course of the year.

Reserve Bank of India further cut repo rate by 40 bps in the Financial Year 2020-21, having already cut the rates by a cumulative of 160 bps in the preceding year. Moreover, RBI announced several liquidity boosting measures including targeted long-term repo operations, moratorium of loans, etc. The interest rates had fallen sharply in money market due to the liquidity glut, resulting in real lending rates to fall to decade lows.

Extraordinary, novel and out of box measures taken by Reserve Bank of India to mitigate the impact of pandemic have anchored financial stability and cushioned the damaging effects of COVID-19 on economic activity.

Indian economy experienced subdued 1st half of Financial Year 2021, however it started seeing good recovery in 2nd half of Financial Year 2021. Sensex reflected growth sentiments as it wrapped 2020 on a bullish note by gaining 16% from a record low of March 2020. However, after close to six months of a receding case count, India is witnessing a rise in the COVID-19 cases and the resultant partial/complete lockdowns by States, to counter the rising cases, is expected to dent the ongoing economic recovery.

The Financial Year 2020-21 has been a roller-coaster ride for the rupee due to COVID-19. The pandemic induced massive sell-off in the equity market led the rupee breach record low of 76.90. However, easing of lockdown restrictions, infusion of stimulus by Government and central banks all over the world, optimism over vaccine,

enthused investors resulting in sustained foreign fund inflows, helped rupee vault back to 72 zone.

In the Financial Year 2021, Foreign portfolio investment (FPI) in India was at a 6-year high with record inflows into the equity markets and marginal outflows from the debt markets. The total FPI inflows into the equity, debt and hybrid markets during the Financial Year 2021 was at \$36.1 billion compared with the previous two years of outflows of \$5.5 billion in the Financial Year 2019 and \$3 billion in the Financial Year 2020.

Your Company continued to monitor the liquidity situation carefully. Given the unprecedented impact that COVID-19 had on the business, the Company borrowed funds to shore up liquidity as a precautionary measure. During the year, your Company raised long term borrowings of Rs. 5,536.59 crores by way of a mix of both, market instrument like Non-Convertible Debentures and Bank Loans. Additionally, short term borrowings of Rs. 2,376.90 crores were raised by issuance of Commercial Papers and availing of bank lines during the year. This ensured sufficient liquidity to manage the adverse effects of pandemic. Since the economic activity improved from June-July 2020, your Company saw robust operating cash flows. As the year drew close to an end, sufficient liquidity prompted pre/repayment of some of the borrowings. During the year, your Company repaid Rs. 3,387.41 crores of the total borrowings (long term, short term borrowing and lease liabilities). As on 31st March, 2021, Rs. 7,642.07 crores of Long-Term borrowing (including current maturities and lease liabilities) and Rs. 24.74 crores of Short Term borrowing was outstanding. With a high liquidity level of Rs. 10,743.89 crores as at 31st March, 2021, your Company is better placed to tide over the impact of the re-surge in COVID-19 cases on the business, if any.

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 is 0.22 as at 31st March, 2021.

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 is a "Large Corporate" as per the criteria under SEBI Circular No. SEBI/HO/DDHS/CIR/P/2018/144 dated 26th November, 2018.

Investor Relations (IR)

Your Company always believes in leading from the front with emerging best practices in IR and building a relationship of mutual understanding with domestic and foreign investors/analysts. In the Financial Year 2021, the year characterised by a lot of uncertainty amongst pandemic and lockdowns, your Company increased its interaction with investors through video and audio conference calls. The top management, including the Managing Director, Deputy Managing Director and Group CFO and Executive Director-Auto & Farm Sectors, spent significant time to interact with investors to communicate the strategic direction of the business, capital allocation policy and the way the Company was handling COVID-19 crisis. All the four quarterly earnings calls conducted during the year were also well attended by investors and analysts. Apart from the earning calls, the Company also had a special investor/analyst call to discuss the implications of strategic steps being taken by your Company.

During the year, your Company interacted with around 1,079 Indian and overseas investors and analysts (excluding quarterly earnings calls and specific event related calls). Your Company ensures that critical information about the Company is available to all the investors by uploading all such information on the Company's website. Your Company also engages with investors on Environment, Social and Corporate Governance (ESG), which has received excellent feedback from investors and ESG analysts. Your Company was awarded The Institute of Chartered Accountants of India's prestigious Gold Shield Award for its Integrated Annual Report of Financial Year 2020.

Dividend

As per the Dividend Distribution Policy, dividend payout would have to be determined based on available financial resources, investment requirements and taking into account optimal shareholder return. Within these parameters, the Company would endeavour 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.

Despite the pandemic, your Company was able to deliver a good operational performance during the period under review. While the performance has been good, the Profit After Tax was low on account of exceptional items.

Your Directors, considering the good performance, a strong cash flow and this being a milestone 75th Year of your Company, decided to recommend a Dividend of Rs. 8.75 (175%) per Ordinary (Equity) Share of the face value of Rs. 5 each on the Share Capital out of the accumulated balance of retained earnings representing the accumulated surplus in the profit and loss account as at 31st March, 2021.

The equity dividend outgo for the Financial Year 2020-21 would absorb a sum of Rs. 1,087.79 crores [as against Rs. 292.15 crores comprising the dividend of Rs. 2.35 per Ordinary (Equity) Share of the face value of Rs. 5 each for the previous year]. Dividend will be payable subject to approval of members at the ensuing Annual General Meeting and deduction of tax at source to those Shareholders whose names appear in the Register of Members as on the Book Closure Date. The Board of your Company decided not to transfer any amount to the General Reserve for the year under review.

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 ("Listing Regulations") 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: <https://www.mahindra.com/resources/FY21/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. 37,855 crores in the current year as compared to Rs. 36,868 crores in the previous year, an increase of 3%. Its consolidated profit after tax after non-controlling interests is Rs. 4,428 crores as compared to Rs. 4,033 crores in the previous year, registering an increase of 10%.

The Group's finance company, Mahindra & Mahindra Financial Services Limited (Mahindra Finance), reported a consolidated operating income of Rs. 12,050 crores during the current year as compared to Rs. 11,883 crores in the previous year, registering a growth of 1%. The consolidated profit after tax after non-controlling interests for the year is Rs. 773 crores as compared to Rs. 1,075 crores in the previous year.

Mahindra Lifespace Developers Limited, the subsidiary in the business of real estate and infrastructure registered a consolidated operating income of Rs. 166 crores as compared to Rs. 611 crores in the previous year. The consolidated loss after tax after non-controlling interest for the year is Rs. 72 crores as compared to a loss of Rs. 193 crores in the previous year.

Mahindra Holidays & Resorts India Limited, the subsidiary in the business of timeshare registered a consolidated operating income of Rs. 1,730 crores as compared to Rs. 2,372 crores in the previous year. The consolidated loss after tax after non-controlling interests for the year is Rs. 13 crores as compared to a loss of 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. 3,264 crores as compared to Rs. 3,471 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 30 crores as compared to Rs. 55 crores in the previous year.

Ssangyong Motor Company, the Korean subsidiary of the Company (under the Companies Act, 2013), treated as discontinued operation for the purpose of consolidation, has reported consolidated operating revenues of Rs. 18,763 crores in the current fiscal year (January 2020 to December 2020) as compared to Rs. 21,707 crores in the previous year. The consolidated loss after tax after non-controlling interests for the year is Rs. 3,208 crores as compared to a consolidated loss of Rs. 2,045 crores in the previous year.

The consolidated profit before exceptional item and tax for the year from continuing operations is Rs. 5,229 crores as against Rs. 4,832 crores in the previous year. The consolidated profit after tax after non-controlling interest and exceptional items for the year from continuing operations is Rs. 3,347 crores as against Rs. 2,392 crores in the previous year.

The consolidated profit after tax after non-controlling interest and exceptional items for the year from continuing and discontinued operations is Rs. 1,812 crores as against Rs. 127 crores in the previous year.

During the year under review, Sampo Rosenlew Oy ceased to be an Associate and became a Subsidiary of your Company.

Further, Martial Solren Private Limited, The Birmingham Small Arms Company Limited, BSA Corporation Limited and B.S.A. Motor Cycles Limited became Subsidiaries of your Company.

During the year under review, Graphic Research Design s.r.l., Divine Solren Private Limited, Mahindra Trucks and Buses Limited, Mahindra Automobile Distributor Private Limited, Mahindra First Choice Services Limited and Auto Digitech Private Limited ceased to be Subsidiaries of your Company.

During the year under review, Mahindra Asset Management Company Private Limited changed its name to Mahindra Manulife Investment Management Private Limited and Mahindra Trustee Company Private Limited changed its name to Mahindra Manulife Trustee Private Limited.

Further, Mahindra 'Electoral Trust' Company, a Section 8 Company has converted itself into a Public Company and changed its name to Mahindra Publications Limited.

Subsequent to the year end, Mahindra Solarize Private Limited became a Subsidiary 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 Statements 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 in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>

C. JOINT VENTURES, ACQUISITIONS AND OTHER MATTERS

Merger of Mahindra Vehicle Manufacturers Limited into Mahindra & Mahindra Limited

As mentioned in the previous Annual Report, 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 Scheme is subject to receipt of approvals from Directorate of Industries, Maharashtra Industrial Development Corporation, National Company Law Tribunal, Mumbai Bench ("NCLT") and such other statutory/Government authorities as may be directed by the NCLT. The Appointed Date of the Scheme is 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 shall stand cancelled, without any further act or deed and no consideration shall be issued on merger. NCLT has approved the Scheme basis its Pronouncement of Order on 26th April, 2021. However, the certified copy of the order is awaited.

Scheme of Merger by Absorption of Mahindra Trucks and Buses Limited and Mahindra Automobile Distributor Private Limited with Mahindra Two Wheelers Limited ("Scheme")

The National Company Law Tribunal has approved the Scheme vide its order dated 30th June, 2020. The Appointed Date of the Scheme is 1st April, 2019 and the Scheme is effective from 31st July, 2020. Pursuant to the Scheme becoming effective, Mahindra Trucks and Buses Limited and Mahindra Automobile Distributor Private Limited ceased to be subsidiaries of the Company.

Divestment of 100% stake in Mahindra First Choice Services Limited ("MFCS") and Auto Digitech Private Limited ("ADPL") by Mahindra Holdings Limited ("MHL") to TVS Automobile Solutions Private Limited ("TASL")

During the year, MHL, a 100% subsidiary of your Company agreed to divest its 100% stake in MFCS and ADPL to TASL for a consideration of Rs. 35 crores. Your Company invested the same amount in TASL for an upfront stake of around 2.76% and an earn-out right and potential. On 25th February, 2021, your Company was allotted 3,32,195 Series IV Compulsorily Convertible Preference Shares ("CCPS") in TASL for Rs. 34.99 crores and consequently MHL divested 100% equity stake in MFCS and Optionally Convertible Redeemable Preference Shares held in ADPL to TASL. Accordingly, both MFCS and ADPL ceased to be subsidiaries of your Company. On 26th February, 2021, the Company acquired additional 100 earn-out shares (i.e. Series V CCPS) for Rs. 0.01 crores.

Scheme of Merger by Absorption of Mahindra Electric Mobility Limited, a subsidiary of the Company with the Company and their respective Shareholders

The Board of Directors of the Company at its Meeting held on 26th March, 2021, subject to requisite permissions/ approvals/consents, accorded its in-principle approval for consolidation of Mahindra Electric Mobility Limited ("MEML"), a subsidiary of the Company into the Company. This consolidation is part of the Company's Electric Vehicle ("EV") strategy to simplify the structure and re-organise its EV operations into two focused verticals of Last Mile Mobility and EV Tech Centre. With the electric vehicle business at an inflection point and poised to grow exponentially, the realignment will help in providing resources and direction to realize targeted growth.

Subsequent to the year end, the Board of Directors of the Company at its Meeting held on 28th May, 2021, subject to requisite approvals/consents, approved the Scheme of Merger by Absorption of MEML with the Company and their respective Shareholders ("Scheme") under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Appointed Date of the Scheme is 1st April, 2021 or such other date as may be directed or approved by the National Company Law Tribunal or any other appropriate authority. The entire assets and liabilities

of MEML would be transferred to and recorded by the Company as per applicable accounting standards. The Scheme provides for issue of Ordinary (Equity) Shares by the Company to the shareholders of MEML (other than the Company or subsidiary(ies) of the Company holding shares directly and jointly with its nominee shareholders).

The share exchange Ratio is 480 (Four Hundred and Eighty) Ordinary (Equity) Shares of Rs. 5 each fully paid-up of the Company for every 10,000 (Ten Thousand) Equity Shares of Rs. 10 each fully paid-up held in MEML as on Record Date. Fractional entitlements to be rounded off to the next higher whole number.

The shares held in MEML by the Company or its subsidiary(ies) directly and jointly with its nominee shareholders, shall be cancelled upon the Scheme becoming effective.

Additionally, the stock options held by the eligible ESOP holders of MEML as on the Record Date shall be substituted with ESOPs of the Company in accordance with the Scheme.

Scheme of Merger by Absorption of Mahindra Engineering and Chemical Products Limited, Retail Initiative Holdings Limited and Mahindra Retail Limited with the Company and their respective Shareholders

Subsequent to the year end, the Board of Directors of the Company at its Meeting held on 28th May, 2021, subject to requisite approvals/consents, approved the Scheme of Merger by Absorption of Mahindra Engineering and Chemical Products Limited ("First Transferor Company" or "MECPL"), Retail Initiative Holdings Limited ("Second Transferor Company" or "RIHL") and Mahindra Retail Limited ("Third Transferor Company" or "MRL") (together referred to as 'Transferor Companies'), direct/indirect wholly owned subsidiaries of the Company, with the Company and their respective Shareholders ("Scheme") under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Appointed Date of the Scheme would be 1st April, 2021 or such other date as may be directed or approved by the National Company Law Tribunal or any other appropriate authority.

The entire assets and liabilities of MECPL, RIHL and MRL are to be transferred to and recorded by the Company at their carrying values. All inter-company balances and investments amongst MECPL, RIHL, MRL and the

Company will stand cancelled as a result of the proposed merger. The entire share capital of the Transferor Companies is held directly/indirectly by the Company. Upon the Scheme becoming effective, no shares of the Company shall be allotted in lieu or exchange of the holding of the Company in the First Transferor Company or one Transferor Company in another Transferor Company (held directly and jointly with its nominee shareholders) and accordingly, equity shares held in the Transferor Companies shall stand cancelled on the Effective Date without any further act, instrument or deed.

Investment in Carnot Technologies Private Limited

During the year, your Company increased its shareholding in Carnot Technologies Private Limited ("Carnot"), from 22.9% to 48.05% on a fully diluted basis, for an aggregate consideration of Rs. 12 crores comprising of primary infusion in the Company of Rs. 3 crores and secondary purchase from its shareholders of Rs. 9 crores. Carnot is an Indian Company engaged in the business of research and development, related to IOT based products and services. Carnot is expected to support the Company's strategy by developing information technology solutions for its products, customers and businesses, especially for the Farm Equipment Sector.

Increase of stake in Sampo Rosenlew Oy, Finland ("Sampo")

During the year, the Company's voting rights in Sampo increased from 49.04% to 79.13%, through conversion of Compulsorily Convertible Preference Shares, acquisition of shares from other shareholders, and primary infusion of capital in Sampo, with a total incremental outlay of Euro 8.5 million (approximately Rs. 72.9 crores). On account of the increase in stake, Sampo ceased to be an Associate and became a Subsidiary of the Company. Harvesting machinery is the second largest category in the global farm equipment industry. The Company's scale in tractors and Sampo's expertise in combine harvesters allows both companies to offer a broader product portfolio to address the needs of farmers in various countries. In India, the combine harvester market is currently much smaller than tractors but is growing rapidly with the penetration of mechanisation. Your Company is building a strong position in this product line for India and other export markets.

Termination of Joint Venture discussions with Ford Motor Company

The Company and Ford Motor Company Inc., USA ('Ford') mutually determined that they will not complete a previously announced Joint Venture between the companies. This followed the passing of the expiration date of the definitive agreements signed between the two companies. This outcome was driven by fundamental changes in global economic and business conditions since the agreement was first announced. Those changes influenced separate decisions by Ford and the Company to reassess their respective capital allocation priorities.

Ssangyong Motor Company ("Ssangyong")

During the year, the Board of your Company decided not to make any further equity investment in Ssangyong Motor Company, a subsidiary in South Korea. Pursuant to the decision, Ssangyong management initiated a search for a potential investor to invest equity.

During the year under review, the Members of the Company have, by way of a Postal Ballot, approved the proposal of Transfer/Dilution of stake in Ssangyong and/or cessation of control of the Company over Ssangyong.

Following a global search, one North America based investor expressed an interest to invest and acquire a majority stake in Ssangyong. However, a term sheet could not be concluded due to regulatory constraints. Following Ssangyong's inability to pay bank loans which were due in December, 2020, Ssangyong applied to Korean Courts for commencement of rehabilitation procedure. The Court allowed three months to Ssangyong to arrive at a private investment agreement with the said investor.

Since that could not be concluded within the stipulated time, the Court initiated rehabilitation process on 15th April, 2021 and appointed a Court receiver who took over the day-to-day management of Ssangyong.

An examiner appointed by the Court will determine whether Ssangyong should be sold as a going concern or liquidated. If the examiner recommends a sale, the receiver will oversee the preparation of a rehabilitation plan which may include a combination of capital reduction, debt waiver, debt-to-equity conversion and other similar actions. The rehabilitation plan is expected to be submitted to the Court by July, 2021.

Pursuant to the admission in the Autonomous Restructuring Support (ARS) program and following the guidance under Ind AS 110 – Consolidated Financial

Statements, the Company has ceased consolidating Ssangyong as a subsidiary from 28th December, 2020 and has classified the investment to be measured at fair value as per Ind AS 109 – Financial instruments. Accordingly, the losses from operations, resultant gain on deconsolidation of Ssangyong and impairments/provisions for the exposures of the Company to Ssangyong have been recognised and presented under 'Profit/(loss) before tax from discontinued operation' in the Consolidated Statement of Profit and Loss. However, Ssangyong continues to be a subsidiary of the Company under the Companies Act, 2013.

100% shareholding in Meru through primary infusion and secondary share purchase

In December 2019, your Company acquired 36.63% of the equity share capital along with control of Meru Travel Solutions Private Limited ("Meru"), holding company of the Meru Group.

In January 2021, your Company increased its stake in Meru to 43.20% by way of a primary investment of Rs. 15 crores in Meru. Further to this and with the intent of increasing the focus on Mobility Sector, in May 2021 your Company acquired the balance stake from the erstwhile shareholders of Meru for Rs. 97 crores. Meru also redeemed its preference shares held by its then shareholder through proceeds of fresh issue on rights basis which was subscribed by your Company for Rs. 3 lacs. Post the above transactions, Meru is now a wholly owned subsidiary of your Company.

D. INTERNAL FINANCIAL CONTROLS

The Corporate Governance Policies guide the conduct of affairs of your Company and clearly delineate 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 the Management, no reportable material weakness or significant deficiencies in the design or operation of internal financial controls was observed.

Your Company recognizes that the 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 Controls 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 arm's 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 arm's length basis, details of which are disclosed in Form AOC-2 as Annexure II pursuant to the requirements of section 134(3)(h) of the Companies Act, 2013, which 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 in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

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.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2020-21 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 and is annexed as Annexure IV to this Board's Report.

Secretarial Audit of Material Unlisted Indian Subsidiary

Mahindra Vehicle Manufacturers Limited ("MVML"), a material subsidiary of the Company carried out Secretarial Audit for the Financial Year 2020-21 pursuant to section 204 of the Companies Act, 2013 and Regulation 24A of the Listing Regulations. The Secretarial Audit Report of MVML submitted by Mr. Sachin Bhagwat, Practising Company Secretary is attached as Annexure V to this Report and does not contain any qualification, reservation or adverse remark or disclaimer.

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 2020-21.

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 2021-22 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.

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 36 to the Financial Statements.

I. PUBLIC DEPOSITS AND LOANS/ ADVANCES

Your Company had 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. All the 22 outstanding deposits aggregating Rs. 9.44 lakhs from the public and shareholders as at 31st March, 2021 had matured and had not been claimed as at the end of the Financial Year. Since then no deposits 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 Listing Regulations 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 Listing Regulations 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. Anish Shah – Managing Director and CEO (with effect from 2nd April, 2021)
- (c) Mr. Rajesh Jejurikar – Executive Director (Automotive and Farm Sectors)
- (d) Mr. Manoj Bhat – Group Chief Financial Officer (appointed with effect from 2nd April, 2021)
- (e) Mr. Narayan Shankar – Company Secretary

Dr. Pawan Goenka ceased to be the Managing Director and CEO of the Company with effect from 2nd April, 2021. Dr. Anish Shah was re-designated as Managing Director and CEO of the Company and ceased to be the Group Chief Financial Officer of the Company, with effect from 2nd April, 2021.

Employees' Stock Option Scheme

During the year under review, on the recommendation of the Governance, Nomination and Remuneration Committee ("GNRC") 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/POLICYCELL/2/2015 dated 16th June, 2015 have been uploaded on the Company's website and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY21/AnnualReport.zip>.

Particulars of Employees and related disclosures

The Company had 273 employees who were in receipt of remuneration of not less than Rs. 1,02,00,000 during the year ended 31st March, 2021 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 will be made available during 21 days before the Annual General Meeting in electronic mode to any Shareholder upon request sent at agm.inspection@mahindra.com. Such details are also available on your Company's website and can be accessed at the Web-link: <https://www.mahindra.com/resources/FY21/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 VI 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 even during the toughest time of Pandemic.

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,

transformational work culture projects, e-compliance, e-portal for reward and recognition of associates, and Code of Conduct for associates. The newly constituted Employee Relations Council is taking forward the work of Transformational Work Culture Committee (TWCC) and leads the design and implementation of these programs and reviews its progress.

With the objective of capability building, developing future ready workforce and fostering togetherness at the workplace, your Company implements multiple training and engagement programs on an ongoing basis. These include various behavioural and functional programs such as team effectiveness, individual effectiveness, safety and environment, quality tools, TPM, skill building programs, continuous improvement, result orientation, relationship management, decision making and programs on union leadership development. The Company launched the Success Factors Learning Management System for associates to enable self-paced learning on a digital space.

The Mahindra Skill Excellence initiative, a holistic approach to enhance the skill and capabilities of shop floor associates, is receiving good participation across manufacturing facilities. As a result of this effort, till previous year associates from your Company have participated at various international skill competitions which include China Arc Cup 2020, WorldSkills 2019 and Beijing Arc Cup.

One of the Company's associates won the 1st prize in 135 GMAW process (Welding) in the China Arc Cup 2020. The Company's associate won the 'Medallion of Excellence' at the WorldSkills 2019. At the Beijing Arc Cup, the Company's associate won the bronze medal in finished product category and a female associate from your Company was awarded as 'Excellent Female Welder'. However, since Pandemic has grappled the entire globe and countries are struggling to fight back the COVID-19 effect, in Financial Year 2021, all international competitions were put on hold.

In an endeavour to improve quality, reduce cost, ensure safety and improve productivity, your Company's shop floor associates managed to generate on an average 11.5 ideas per person in the Financial Year 2021 even during the time of uncertainties and even though the plant was non-operational for some time.

This year significant emphasis was also laid towards raising awareness on health and wellness of employees and their family members on protection from COVID-19 under the brand program on "24/7 Swasth Raho Mast Raho" over Google Teams platform in addition to regular

annual medical check-ups, health awareness activities. Diet food has become a way of life over the past four 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. The sustained efforts towards building a transformational work culture resulted in zero production loss in the Financial Year 2020-21 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 and started its implementation as per the new standard, ISO: 45001: 2018. The management commitment towards SOH&E is demonstrated through adoption of new compliance and notifications during the pandemic period along with its voluntary commitments. The Company implemented various initiatives under the new normal guidelines with overall health and hygiene being merged with the SOH&E policy. The achievements were assessed through management reviews from time to time.

At each Plant location, annual events like Road Safety Week, National Safety Day/Month and Fire Service Week were organized virtually. As per new normal, various topics were deployed to train employees on Safety, Health and Environment. Similarly, virtual meetings and training programs were deployed for suppliers, with special focus on safety and fire safety. The training programs were leveraged by sharing small clips to enhance learning.

To strengthen the safety practices, the Company continues to focus on theme-based safety topics including Behavior Based Safety (BBS) Level 2. Additionally, your Company introduced chemical safety management and office fire prevention and protection new standards.

Overall, 16 safety standards for standardization in the M&M group companies are under implementation across all plants.

Your Company carried out statutory Safety audits, Fire Safety Audit, Electrical Safety Audit, Risk Assessment as per updated safety standards. For the year under review, your Company achieved substantial reduction in the fire incidences by reducing fire load. The initiatives in this space include installation of modern equipment and recyclable stores packaging material in critical areas by substituting the flammable material as appropriate.

To eliminate and minimize the overall environmental impact in line with the 'science-based targets' philosophy, your Company is continuously adopting new techniques. Towards this objective, various projects have been implemented by your Company in air, water-waste water management, solid waste recycling management, plastic waste recycling management and E-waste recycling management. Carbon footprint reduction is achieved by deploying IE3 motors and increasing share of renewable energy. Many of the Company's new initiatives have been shared by your Company with the supplier community.

During the year under review, your Company started reporting the status under Extended Producer Responsibility Organizations (EPRO) to Central Pollution Control Board. This activity covers integral plastic waste recycling management for all the Company's plants, Suppliers and Dealers.

Your Company implemented Central Ground Water Authority regulations for ground water recharging and water recycling management. This has helped your Company reduce its freshwater requirement and move towards water neutrality.

Your Company continued its commitment to improve the well-being of employees and contract associates through various activities by screening at all gates and regular distribution of vitamin supplement. Further, strict adherence to usage of PPE, displaying posters of hand washing technique and precautions to be taken, formation of isolation room and hands-free sanitization stands were provided.

Additionally, the Company reduced the sitting capacity in canteen area and sitting capacity in buses by 50%, installed safety screens at each table of canteen, observed distancing at shop floor and promoted more of virtual communications. Exclusive tie-up with various tertiary care hospitals, special tie-up with ambulance services for transferring COVID-19 positive persons to the Quarantine Centre or Hospitals, special tie up with Nightingale for virtual consultation with Doctors,

Medicinal kit and Hygiene kit Development at Mahindra COVID Centers were the additional measures taken by the Company to combat COVID-19.

The Company has successfully treated employees from all Mahindra Group Companies. This includes activities like medical check-post vaccination drive, continuous consultation and counselling on pandemic illness, special advisory publishing for all employees and family members were also conducted. Robust implementation of compliance for Bio medical Waste disposal Management as per pandemic notifications were also carried out.

To create awareness among society at large, your Company has installed a LED display screen that displays consented real time readings for all air, water and hazardous as well as non-hazardous waste generation and disposal limits. This screen is installed just outside the manufacturing plant in Mumbai, which is located on the Western Express highway. In addition, environment protection awareness is generated virtually amongst all stakeholders on an annual basis for World Ozone Day, World Environment Day, World Earth Day, World Water Day and Energy Conservation Week and Water Conservation Week, etc.

Certifications/Recertifications

All Plants of your Company are certified for Standard ISO 45001: 2018 and re-certification of ISO 14001: 2015. Further, all plants have implemented Integrated Management System (IMS), along with updated standard ISO 45001:2018.

All plants of your Company are certified for Zero Waste to Landfill with 99% and above conversion rate which ensures the commitment of recycling of waste at maximum extent to protect the environment.

The Company revises its year on year targets under SOH&E, and the performances are reviewed periodically by the senior management. Focused initiatives involving all stakeholders coupled with management reviews have helped your Company to improve SOH&E performance.

K. BOARD & COMMITTEES

Directors

As mentioned in the previous Annual Report, Dr. Pawan Goenka was re-designated as "Managing Director and Chief Executive Officer" with effect from 1st April, 2020 and re-appointed as "Managing Director and Chief Executive Officer" of the Company from 12th November, 2020 to 1st April, 2021.

Dr. Anish Shah was appointed as Whole-time Director designated as "Deputy Managing Director and Group Chief Financial Officer" from 1st April, 2020 to 1st April, 2021 and as the Managing Director of the Company designated as "Managing Director and Chief Executive Officer" from 2nd April, 2021 to 31st March, 2025.

Mr. Rajesh Jejurikar was appointed as Whole-time Director designated as "Executive Director (Automotive and Farm Sectors)" for a period of 5 years from 1st April, 2020 to 31st March, 2025.

Mr. CP Gurnani was appointed as Non-Executive Non-Independent Director of the Company with effect from 1st April, 2020.

Mr. M. M. Murugappan and Mr. Nadir B. Godrej ceased to hold office as Independent Directors of the Company from 8th August, 2020, upon completion of their tenure as approved by the Shareholders at the 72nd Annual General Meeting of the Company held on 7th August, 2018.

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 Listing Regulations.

The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by The Indian Institute of Corporate Affairs, Manesar ("IICA"). The Independent Directors are also required to undertake online proficiency self-assessment test conducted by the IICA within a period of 2 (two) years from the date of inclusion of their names in the data bank, unless they meet the criteria specified for exemption.

The Independent Directors of the Company are exempt from the requirement to undertake online proficiency self-assessment test except Mr. Muthiah Murugappan who would be undertaking the said test in due course.

Lead Independent Director

Mr. Vikram Singh Mehta, Independent Director and Chairman of Governance, Nomination and Remuneration Committee has been appointed as the Lead Independent Director with effect from 1st April, 2021. The role and responsibilities of the Lead Independent Director are provided in the Corporate Governance Report forming part of the Annual Report.

Re-appointment of Independent Director for a Second Term

The Governance, Nomination and Remuneration Committee, on the basis of performance evaluation of Mr. T. N. Manoharan and taking into account the external business environment, the business knowledge, acumen, experience and the substantial contribution made by him during his tenure, has recommended to the Board that the continued association of Mr. T. N. Manoharan as Independent Director would be beneficial to the Company. Based on the above and his performance evaluation, the Board recommends the re-appointment of Mr. T. N. Manoharan as an Independent Director for a further period of 5 consecutive years commencing from 11th November, 2021 to 10th November, 2026. The Company has received the requisite Notice from a Member in writing proposing his appointment as Independent Director.

Appointment of Independent Directors

Ms. Nisaba Godrej

Pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, the Board at its Meeting held on 7th August, 2020 approved appointment of Ms. Nisaba Godrej, as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, with effect from 8th August, 2020 to hold office up to the date of the Annual General Meeting of the Company to be held thereafter and subject to the approval of the Members at the said Annual General Meeting, to hold office as an Independent Director for a term of 5 (five) consecutive years commencing from 8th August, 2020 to 7th August, 2025 (both days inclusive).

The Company has received the requisite Notice from a Member in writing proposing her appointment as an Independent Director of the Company.

Mr. Muthiah Murugappan

Pursuant to the recommendation of the Governance, Nomination and Remuneration Committee, the Board at its

Meeting held on 7th August, 2020 approved appointment of Mr. Muthiah Murugappan, as an Additional Director (Independent and Non-Executive) on the Board of Directors of the Company, with effect from 8th August, 2020 to hold office up to the date of the Annual General Meeting of the Company to be held thereafter and subject to the approval of the Members at the said Annual General Meeting, to hold office as an Independent Director for a term of 5 (five) consecutive years commencing from 8th August, 2020 to 7th August, 2025 (both days inclusive).

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

Completion of tenure of Dr. Pawan Goenka

Dr. Pawan Goenka ceased to hold office as "Managing Director and CEO" of the Company with effect from 2nd April, 2021 upon completion of his tenure as approved by the Shareholders at the 74th Annual General Meeting of the Company. Dr. Goenka also ceased to be a Member of the Board of Directors of the Company with effect from 2nd April, 2021.

Dr. Pawan Goenka joined the Company as General Manager (R&D) in the year 1993. During his R&D tenure he led the development of the Scorpio SUV. He was appointed COO (Automotive Sector) in April 2003, President (Automotive Sector) in September 2005, 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, Managing Director of Mahindra & Mahindra Limited, in November 2016 and designated as Managing Director & CEO on 1st April, 2020.

The Company has witnessed phenomenal growth under his leadership. The path through which the Company passed through and the valuable contribution made by him in guiding and shaping the business model and future of the Company and the Group is commendable. He was instrumental in translating the global vision of the Company into a reality.

He has been the Chairman of the Risk Management Committee and Member of the Corporate Social Responsibility Committee, Loans & Investment Committee, Stakeholders Relationship Committee, Research & Development Committee and Sale of Assets Committee of the Board.

The Board placed on record its deep appreciation of the invaluable services rendered by Dr. Pawan Goenka to the Company for over more than 27 illustrious years with the Company.

Quote from Executive Chairman

"Pawan joined your Company in 1993, fresh from a long stint in the USA, wanting to make a career in India but uncertain about how this would work out. From that day to this, he has spent 28 exciting years in the Company. He started as a General Manager reporting to the head of Automotive R&D at Nashik and rose to cap his career as the MD and CEO of your Company. That is an impressive trajectory.

Pawan's unique combination of engineering skills and commercial acumen have added great value to your Company. Under his leadership, particularly in the area of R&D, your Company produced a stream of products that put us on the automotive map. When he shared the first Scorpio prototype with me, my spontaneous reaction was that I was witnessing the birth of a new era. The Scorpio changed the Company's DNA, image and fortunes. From the Scorpio to the XUV 700, Pawan has been the driving force behind the quantum leap achieved by the R&D Function in M&M.

Pawan is a role model for many in your Company. His understanding of complex engineering processes along with the demands of the market has been instrumental in translating the Company's global vision into a reality. His commitment to Quality focus and Customer first is now a part of the folklore of your Company. He has always possessed a natural inclination towards fairness and transparency and has great respect for his own time and the time of others. He believes he can learn from anyone, even the most junior of colleagues. Fostering a meritocracy at Mahindra has always been a priority for him. He is the living embodiment of our Core Values.

He has officially retired, but I know that our loss is going to be society's gain. Amongst the many activities he has planned, giving back to the community in some form or the other is a large part of his agenda. And although he will devote much less time to our organisation, it is a comfort to know that we will always have access to his experience and wisdom.

I wish Pawan a very happy, productive and fulfilling next chapter in his life. Wherever his destiny takes him, he will always remain a valued part of our Mahindra Group family."

Transition of Mr. Anand G. Mahindra, Executive Chairman to the role of Non-Executive Chairman of the Company with effect from 12th November, 2021

At the 71st Annual General Meeting of the Company, based on the recommendations of the Governance, Nomination and Remuneration Committee of the Board ("GNRC") and the Board of Directors, the Company had appointed Mr. Anand G. Mahindra as Executive Chairman of the Company for a period of 5 (Five) years with effect from 12th November, 2016 upto and including 11th November, 2021.

In line with the requirement of Regulation 17(1B) of the Listing Regulations, the Board of Directors pursuant to the recommendations of GNRC at its meeting held on 20th December, 2019, had approved the transition of Mr. Anand G. Mahindra, Executive Chairman to the role of Non-Executive Chairman with effect from 1st April, 2020.

Subsequently, pursuant to the Securities and Exchange Board of India ("SEBI") notification dated 10th January, 2020 deferring the deadline for compliance with Regulation 17(1B) of the Listing Regulations from 1st April, 2020 to 1st April, 2022, the GNRC and the Board at their Meetings held on 7th February, 2020 and 8th February, 2020 respectively, unanimously requested Mr. Anand G. Mahindra to continue as the Executive Chairman till his original term of appointment as approved by the Shareholders of the Company i.e. upto 11th November, 2021.

In deference to the wishes of the GNRC and Board, Mr. Anand G. Mahindra had acceded to the request to continue as the Executive Chairman till his original term of appointment i.e. upto 11th November, 2021.

Upon completion of his tenure as Executive Chairman, Mr. Anand G. Mahindra will transit to the role of Non-Executive Chairman of the Company with effect from 12th November, 2021, who shall be liable to retire by rotation. This will further enhance the independence of the Board.

As Non-Executive Chairman, he will serve as mentor and sounding board for the Managing Director and Senior Management especially in the areas of strategic planning, risk mitigation and external interface. He will continue to play an important role in epitomising and building Brand Mahindra. He will be available to provide feedback and counsel to the Managing Director and Senior Management on key issues facing the Company.

Retirement by rotation

Mr. Vijay Kumar Sharma and Mr. CP Gurnani retire by rotation and, being eligible, offer themselves for re-appointment at the 75th Annual General Meeting of the Company scheduled to be held on 6th August, 2021.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 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, including Independent Directors, Chairman of the Board, Managing Director, Deputy Managing Director and Group Chief Financial Officer and Executive Director (Auto and Farm Sectors).

■ Feedback Mechanism

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.

■ Evaluation of Committees

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.

■ Evaluation of Directors and Board

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

■ Criteria for Independent Directors

The performance evaluation of Independent Directors was 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.

■ Criteria for Chairman

The performance evaluation of Chairman was based on various criteria, inter-alia, including style of Chairman's leadership, effective engagement with other Board members during and outside the meetings, allocation of time provided to other Board members at the meetings, effective engagement with shareholders during general meetings, etc.

■ Criteria for Managing Director and Executive Directors

The performance evaluation of Managing Director and Executive Directors was based on various criteria, inter-alia, including leadership style, standards of integrity, fairness and transparency demonstrated, identification of strategic aim, future demands and opportunities, resource staffing to meet short term and long term goals, engagement with Board and Committee members, updating Board on significant issues, commitment to organisational values, vision and mission, adaptation to meet changing circumstances, knowledge and sensitivity of stakeholders' needs within and outside the Company demonstrated and effective communication skills.

■ Results of Evaluation

The results of evaluation showed high level of commitment and engagement of Board, its various committees and senior leadership. The results of the evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on an action plan to further improve the effectiveness and functioning of the Board and Committees.

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.

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.

Policies mentioned at (a) and (b) above are available on the website and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

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 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 the Listing Regulations, the Company imparted various familiarization 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, 2013, Listing Regulations, Taxation and other matters, Presentations on Internal Control over Financial Reporting, Operational Control over Financial Reporting, Prevention of Insider Trading Regulations, Framework for Related Party Transactions, Plant Visit, Meeting with Senior Executive(s) of your Company, etc. Pursuant to Regulation 46 of the Listing Regulations, the details required are available on the website of your Company at the web link: <https://www.mahindra.com/resources/FY21/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, 2021, 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, 2021 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, 2021;
- (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, 2021.

Board Meetings and Annual General Meeting

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

During the year 1st April, 2020 to 31st March, 2021, seven Board Meetings were held on: 3rd April, 2020, 23rd April, 2020, 12th June, 2020, 7th August, 2020, 10th November, 2020, 5th February, 2021 and 26th March, 2021. The 74th Annual General Meeting (AGM) of the Company was held on 7th August, 2020 through Video Conferencing.

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 Board at its Meeting held on 7th August, 2020 re-constituted the Audit Committee and appointed Mr. Vikram Singh Mehta and Mr. Haigreve Khaitan as the Members with effect from 8th August, 2020. Mr. Nadir B. Godrej and Mr. M. M. Murugappan ceased to be the Members of the Committee upon the end of their term. The Committee comprises of four Directors viz. Mr. T. N. Manoharan (Chairman of the Committee), Ms. Shikha Sharma, Mr. Vikram Singh Mehta and Mr. Haigreve Khaitan. 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 Listing Regulations forms part of the Annual Report.

Vigil Mechanism

The Vigil Mechanism as envisaged in the Companies Act, 2013, the Rules prescribed thereunder and the Listing Regulations 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 in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

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 a detailed policy in place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("Act"). Internal Complaints Committees ("ICC") have been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of ICC under the Act. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

During the year under review, 7 complaints with allegations of sexual harassment were filed and 5 were disposed off as per the provisions of the Act. 2 complaints are pending as of 31st March, 2021.

Business Responsibility Report

The 'Business Responsibility Report' (BRR) of your Company for the year 2020-21 forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations.

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 organizational structure for managing and reporting on risks.

Your Company has constituted a Risk Management Committee of the Board which is authorized 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 include review of risks and Risk Management Policy at 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 organization.

M. CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY

Corporate Social Responsibility (CSR)

This year marks the 75th year of inception of your Company. Over the past seven decades, your Company has built its reputation as a good corporate citizen by not only doing 'good business', but also by driving positive change in society. The core purpose of the Company is to "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".

This year was a particularly challenging year for humanity, with the adverse impact of the COVID-19 pandemic felt by one and all but more so by the vulnerable and marginalized groups on whom the impact has been the hardest. Your Company has invested in a concerted manner to provide COVID-19 relief and rehabilitation with an aim of building resilient communities. Apart from contributing to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund towards the end of Financial Year 2020, the Mahindra Group swiftly responded to the pandemic by putting into action a series of relief initiatives.

Your factories were converted to produce face shields, face masks, sanitizers and aerosol boxes to support the frontline warriors in the fight against the

pandemic. Further, a COVID-19 Relief Fund under the aegis of Mahindra Foundation was set up to provide sustenance grants and in-kind support to those most severely affected by the pandemic e.g. small businesses and traders, daily wage labourers, frontline COVID warriors, etc. Till 31st March, 2021, the Mahindra Group has distributed 4,06,700 face shields, 14,35,950 face masks and 624 aerosol boxes to hospitals and frontline workers including the police force. The Group has also distributed 5,25,068 cooked food packets, and ration and other essentials to 7,03,486 individuals including migrants and communities around its office and factory locations. Your Company also supported Ratna Nidhi Charitable Trust, with the provision of ICU beds for a COVID care centre set up at NESCO in Goregaon, Mumbai, by BMC.

With the objective of building resilient communities, your Company's long-term focus has been towards supporting the livelihood of communities, particularly migrants, adversely affected by the pandemic. This was done through a partnership with Swades Foundation for providing livelihood (goat rearing and fishing) support to 679 COVID-19 impacted households in Raigad district of Maharashtra. Your Company also entered into a partnership with Naandi Foundation to support 6,000 individuals through an Agri-Entrepreneurship Skilling Programme.

You will be happy to know that your Company has in line with its CSR vision, continued to support the constituencies of girls, youth and farmers through projects in the domains of education, health, and the environment. By investing CSR efforts in these critical constituencies who contribute to nation building and the economy, the Company will enable our stakeholders and communities to RISE.

The impact of some of the CSR projects your Company invested in Financial Year 2021 are shown below:

- Project Nanhi Kali supported the education of over 1,71,950 underprivileged girls through 6,346 Academic Support Centres across 24 locations in 9 states of India. Of these 33,046 girls were supported by your Company, while the Mahindra Group as a whole, supported 73,699 girls.
- Through the support of the Mahindra Group, the Mahindra Pride Schools (MPS) trained 4,342 youth from socially and economically disadvantaged communities across 7 locations in Financial Year 2021. Of these, your Company supported the MPS in Chandigarh, Varanasi, and 2 schools in Chennai,

which together skilled 2,520 youth. Further, the Mahindra Group supported training of 92,304 students through 1,816 Mahindra Pride Classrooms (MPC) set up in ITIs, Polytechnics, Arts and Science Colleges across 13 states. Of this, your Company supported the training of 61,677 MPC students. The delivery of instruction was through virtual training thereby complying with the Government regulations with respect to COVID-19.

- Over 12,500 students have benefitted through a variety of Scholarship Programs. These ranged from providing opportunities to youth from low income group families to undergo diploma courses at vocational education institutes, to enabling meritorious students to pursue their post graduate studies at reputed universities overseas, to allowing deserving students to study at the Mahindra United World College in Pune.
- Through Mahindra Hariyali, the Mahindra Group planted 1.14 million trees, which contributed to building green cover and protecting the rich biodiversity of the country. Your Company contributed towards plantation of 1 million trees of which 0.90 million trees were planted in the Araku valley, which besides greening the environment also provided livelihood support to tribal farmers growing coffee and fruit bearing trees in this region. Till date, 19.08 million trees have been planted through Mahindra Hariyali, of which 11.68 million trees were planted in Araku to support the livelihood of 25,000 tribal farmer families.
- Your Company entered into a Public Private Partnership (PPP) for an Integrated Water Management Program (IWMP) with Government of Madhya Pradesh at Bhopal and with National Bank for Agriculture and Rural Development (NABARD) at Hatta. Your Company has also partnered with NABARD in Maharashtra for a watershed project in Igatpuri, in Nashik District covering 20 villages, over 13,500 hectares and benefitting a population of more than 23,020 individuals.
- Through the Wardha Farmer Family Project, Perna and Krishi Mitra Project, your Company continued to support small and marginal farmers by training them in effective farming practices including soil health, resource efficient agriculture, creating model farms with bio-dynamic farming practices, and increasing agricultural income through increasing crop productivity.

- Rise for Safe Roads: Through this first of its kind 'Road Safety' project in India, your Company aimed to make the Mumbai Pune Expressway a near 'Zero Fatality Corridor' by 2021. The interventions have been guided by the "4E" principle i.e. Engineering, Enforcement, Education and Emergency Response. In addition, long haul truck drivers were trained through the Anticipatory Driving and Action Prevention Training (ADAPT™) program.
- Despite the challenges posed by the pandemic, our employees continued to drive a positive change by volunteering. The employee volunteering platform provided 31,503 employees across the Group a menu of volunteering opportunities, enabling them to invest 2,72,467 hours towards giving back to society. Of these, 10,184 M&M employees contributed 83,789 hours towards various social causes. Your Company also launched the MySeva initiative, which encouraged employees to extend the spirit of giving in their personal capacity by recognizing their individual acts of social responsibility. Of the total volunteering hours, 51,625 hours was contributed by employees across the Group through the MySeva initiative and the balance were contributed through the ESOPs (Employee Social Options).

During the last Financial Year, your Company's efforts to drive positive change were acknowledged by various forums and your Company received the following awards:

- India CSR Summit 2020 award for Watershed Management at Zaheerabad Plant and for Project Perna in Maharashtra, Karnataka.
- SIAM award in Category – Skills & Education for Project Perna.
- Indo French Chamber of Commerce & Industry (IFCCI) - CSR Award for Project Hariyali in the category of Environment and Sustainability.

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 in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

CSR Committee

The Board at its Meeting held on 26th March, 2021 re-constituted the Corporate Social Responsibility Committee. Dr. Pawan Goenka ceased to be the Member of the Committee with effect from 2nd April, 2021, upon cessation as a Director of the Company.

Further, the Board at its Meeting held on 28th May, 2021 re-constituted the Corporate Social Responsibility Committee by inducting Mr. Muthiah Murugappan as a Member of the Committee. The CSR Committee comprises of Dr. Vishakha N. Desai (Chairperson), Mr. Anand G. Mahindra, Dr. Anish Shah, Mr. Vikram Singh Mehta and Mr. Muthiah Murugappan.

The Committee, inter alia, reviews and monitors the CSR as well as Sustainability activities.

During the year under review, your Company spent Rs. 112,78,17,286 (including a set off of Rs. 20 crores for contributions made by the Company to the PM CARES Fund) 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. 112,56,00,000. The detailed Annual Report on the CSR activities undertaken by your Company in the Financial Year 2021, is annexed herewith marked as Annexure VII.

The Company had contributed a sum of Rs. 20 crores to the PM CARES Fund on 31st March, 2020 in pursuance of MCA's appeal dated 30th March, 2020 made to the MDs/CEOs of top 1000 companies in terms of market capitalization, to contribute generously to PM CARES Fund.

In terms of the MCA Circular No.CSR-01/4/2021-CSR-MCA dated 20th May, 2021, Mr. Manoj Bhat, Group Chief Financial Officer and BSR & Co., the Statutory Auditors of the Company have certified that the contribution to "PM CARES Fund" was indeed made on 31st March, 2020 in pursuance of the appeal and the same was over and above the mandatory CSR obligation under section 135(5) of the Companies Act, 2013 for Financial Year 2019-20.

The said contribution of a sum of Rs. 20 crores to PM CARES Fund was made by the Company over and above the mandatory CSR obligation under section 135(5) of the Companies Act, 2013 for Financial Year 2019-20, which has been offset against the mandatory CSR obligation for Financial Year 2020-21.

Sustainability

During the year under review, the 13th Sustainability Report for the year 2019-20 was released. The report was externally assured by KPMG and prepared in accordance with the GRI Standards - Core option.

Your Company continued the focus on the Environmental, Social and Governance (ESG) parameters by implementing Mahindra Sustainability Framework. This framework defines sustainability as "Building enduring business by rejuvenating the environment and enabling stakeholders to rise". Various actions have been implemented across the Group based on three pillars of the framework, People, Planet and Profit. The ESG information is disclosed under Dow Jones Sustainability Index (DJSI) and Carbon Disclosure Project (CDP). In DJSI, your Company has retained its position in the Emerging Market Index. In CDP Carbon and CDP water, your Company has achieved level A.

Your Company has committed to Science Based Target, an initiative to restrict average global temperature rise in alignment of Paris Climate Change Agreement. During the year, 21 companies across the Group have committed to Science Based Target, while 16 companies have received approval for their targets. By actively working towards making the locations certified for Zero Waste to Landfill (ZWL), your Company is demonstrating its concern about the environment. During the year, 22 Group locations got certified for ZWL.

Mr. Anand G. Mahindra, Executive Chairman of your Company participated at panel of global CEO's session at International Solar Alliance, 'First World Solar Technology Summit'. Being one of the Board Members, he attended the United Nations Global Compact Meeting.

The Sustainability performance for your Company for the Financial Year 2020-21 will be elaborated in detail in the GRI Report which is under preparation and will be ready for release shortly.

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

- Recognition as a part of 2020 CDP Supplier Engagement Leader-board. The Company is among the top 7% assessed for supplier engagement on climate change, based on 2020 CDP disclosure.

- Receiving an India Corporate Governance & Sustainability Vision Award 2021, organised by The Indian Chamber of Commerce in the category of 'Sustainability Performance'.
- Recognition as part of '100 Most Sustainably Managed Companies in the World' by The Wall Street Journal. The Company ranked 17th which is highest for an automobile company and highest for an Indian company.

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 VIII 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, 2021 comprising of 1,24,31,92,544 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, a copy of the annual return is placed on the website of the Company and can be accessed at <https://www.mahindra.com/resources/FY21/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:

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 Employees Stock Option Schemes (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).
5. There has been no change in the nature of business of your Company.
6. No application was made or any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year in respect of your Company.
7. There was no one time settlement of loan obtained from the Banks or Financial Institutions.

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 28th May, 2021

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: <https://www.mahindra.com/resources/investor-reports/FY17/Governance/MM-Dividend-Distribution-Policy-29-9-2016-Final.pdf>.

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

ANNEXURE II

Form No. AOC-2

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2021, 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, 2021 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	7046.26	April 2020 – March 2021	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 PPE	2.26				
		Purchase of Intangible Assets	147.67				
		Purchase of Services	102.93				
		Sale of Goods	786.28				
		Sale of Services	0.48				
		Investment	560.00				
		Interest Income (Preference)	39.00				
		Interest Income (ICD)	5.18				
		Reimbursement Received from parties	124.64				
		Reimbursement made to parties	6.28				
		Other Expenses	0.33				
		Other Income	0.02				
		Deputation of Personnel	12.24				
		TOTAL	8,833.57				

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 28th May, 2021

ANNEXURE III

SECRETARIAL AUDIT REPORT

For the financial year ended 31st March, 2021

[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, 2021, 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, 2021 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, 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, 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. Notices of two meetings of the Board of Directors were given at short notice to transact urgent business, in compliance with the first proviso of Section 173(3) of the Act. 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 the Company issued and listed on the BSE Ltd., the following series of unsecured Non-Convertible Debentures:

- i. 10,000 – 6.65% Non-Convertible Debentures of Rs. 1,000,000 each aggregating to Rs. 1,000 crore.
- ii. 10,000 – 6.78% Non-Convertible Debentures of Rs. 1,000,000 each aggregating to Rs. 1,000 crore.
- iii. 5,000 – 6.19% Non-Convertible Debentures of Rs. 1,000,000 each aggregating to Rs. 500 crore.

Sachin Bhagwat

ACS: 10189

CP: 6029

UDIN: A010189C000344963

PR No.: 654/2020

Place: Pune

Date: 19 May, 2021

ANNEXURE IV

Secretarial compliance report of Mahindra and Mahindra Limited for the year ended March 31, 2021

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, 2021 ("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, 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, 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. The listed entity and its material subsidiaries have modified the terms of appointment of statutory auditors who have already been appointed, by including in their terms of appointment,

the conditions mentioned in clauses 6 A and 6 B of the Circular No. CIR/CFD/CMD1/114/2019 dated 18 October, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries".

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
---------	--	------------	---

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.
---------	-----------------	----------------------	---	--

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
---------	--	--	--	--

NOT APPLICABLE

Sachin Bhagwat
ACS No.: 10189
CP No.: 6029
UDIN: A010189C000345128
PR No.: 654/2020

Place: Pune
Date: 19 May, 2021

ANNEXURE V

SECRETARIAL AUDIT REPORT OF MAHINDRA VEHICLE MANUFACTURERS LIMITED

For the financial year ended 31 March, 2021

[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 Vehicle Manufacturers Limited,
Mahindra Towers,
P.K. Kurne Chowk, Worli,
Mumbai 400018

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Mahindra Vehicle Manufacturers Limited (CIN U34100MH2007PLC171151) (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 31 March, 2021, 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 31 March, 2021 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; **(Not applicable to the Company)**
- (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; **(Not applicable to the Company during the audit period)**

- (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; **(Not applicable to the Company)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not applicable to the Company)**
 - (c) 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; **(Not applicable to the Company)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
 - (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; **(Not applicable to the Company)**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company)**

According to the information provided by the company, no other law was specifically applicable to the Company

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) The Listing Agreements entered into by the Company with the Stock Exchange(s) and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not applicable to the Company)**

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 Non-Executive Directors and Independent Directors. The Company had an Executive Director for part of the year and Manager for the rest of the year. The change in the composition of the Board of Directors that took place during the period under review was carried out in compliance with the 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. Agenda and

detailed notes on agenda were sent at a short notice for two meetings of the Board in respect of which the Company complied with the requirement of the Act in this regard. 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 were unanimous and no dissenting views have been recorded.

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

I further report that during the audit period the Company issued 90,000,000 equity shares of Rs. 10 each at par on rights basis.

Sachin Bhagwat

ACS: 10189

CP: 6029

UDIN: A010189C000226031

PR No.: 654/2020

Place: Pune

Date: 3 May, 2021

ANNEXURE VI

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 remuneration of each Director, Chief Financial Officer and Company Secretary, percentage increase in their remuneration during the Financial Year 2020-21 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 are as under:

Sr. No.	Name of Director/KMP	Designation	Remuneration of Director/KMP for the Financial Year 2020-21 (Rs. in crores) (Excluding perquisite value of ESOPs exercised)	Remuneration of Director/KMP for the Financial Year 2020-21 (Rs. in crores) (Including perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2020-21 (Excluding perquisite value of ESOPs exercised)	% increase in Remuneration in the Financial Year 2020-21 (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 2020-21
1.	Mr. Anand G. Mahindra	Executive Chairman	8.86	8.86	1.61%	1.61%	99.55
2.	Dr. Pawan Goenka**	Managing Director and CEO	10.19	10.19	1.60%	1.60%	114.49
3.	Dr. Anish Shah@*	Deputy Managing Director and Group CFO	8.51	9.41	-22.14%	-27.95%	105.73
4.	Mr. Rajesh Jejurikar@@	Executive Director, Automotive and Farm Sectors	5.70	6.84	29.55%	19.16%	76.85
5.	Mr. Nadir B. Godrej#&	Independent Director	0.20	0.20	-55.56%	-55.56%	2.25
6.	Mr. M. M. Murugappan#&	Independent Director	0.21	0.21	-58.00%	-58.00%	2.36
7.	Dr. Vishakha N. Desai#	Independent Director	0.44	0.44	4.76%	-4.35%	4.94
8.	Mr. Vikram Singh Mehta#	Independent Director	0.54	0.54	20.00%	20.00%	6.07
9.	Mr. T. N. Manoharan#	Independent Director	0.51	0.51	4.08%	4.08%	5.73
10.	Mr. Vijay Kumar Sharma (Nominee of LIC) \$	Nominee Director	0.40	0.40	25.00%	25.00%	4.49
11.	Mr. Haigreve Khaitan#	Independent Director	0.51	0.51	70.00%	70.00%	5.73
12.	Ms. Shikha Sharma#	Independent Director	0.50	0.50	78.57%	78.57%	5.62
13.	Ms. Nisaba Godrej ^ #	Independent Director	0.23	0.23	—	—	2.58
14.	Mr. Muthiah Murugappan ^ #	Independent Director	0.20	0.20	—	—	2.25
15.	Mr. CP Gurnani ^ ^	Non-Executive Director	—	—	—	—	—
16.	Mr. Narayan Shankar	Company Secretary	1.63	1.63	7.95%	-21.63%	—

The remuneration of Independent Directors covers sitting fees and commission.

@ Appointed as Deputy Managing Director and Group Chief Financial Officer with effect from 1st April, 2020.

@@ Appointed as Executive Director (Automotive and Farm Sectors) with effect from 1st April, 2020.

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

^ Appointed as Independent Director with effect from 8th August, 2020.

^^ Appointed as Non-Executive Non-Independent Director with effect from 1st April, 2020.

* Ceased to be Group Chief Financial Officer with effect from 2nd April, 2021.

** Ceased to be Managing Director and CEO with effect from 2nd April, 2021.

& Ceased to be Director with effect from 8th August, 2020.

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. 8.90 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 4.09% in the median remuneration of employees.

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

There were 19,941 permanent employees on the rolls of the Company as on 31st March, 2021.

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. 2020-21 was 3.30% whereas the increase in the managerial remuneration for the Financial Year 2020-21 was 42.28%.

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 Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 VII

CORPORATE SOCIAL RESPONSIBILITY

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

1. Brief outline on CSR Policy of the Company

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 its core purpose, the CSR vision focusses on 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.

We believe that these are the critical constituencies who contribute to nation building and through our CSR efforts we will enable these communities to Rise. In accordance with the Companies Act, 2013, your Company has committed 2% (Net Profit before Tax) annually towards CSR initiatives. The CSR Policy of your Company outlines the approach and direction given by the Board, taking into account the recommendations of its CSR Committee, and includes guiding principles for selection, implementation and monitoring of CSR activities as well as formulation of the annual CSR action plan. The CSR projects undertaken are also listed in the CSR policy.

2. Composition of CSR Committee:

Sr. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. Vishakha N. Desai	Chairperson	3	3
2.	Mr. Anand G. Mahindra	Member	3	3
3.	Dr. Pawan Goenka*	Member	3	3
4.	Mr. Vikram Singh Mehta	Member	3	3
5.	Dr. Anish Shah*	Member	—	—
6.	Mr. Muthiah Murugappan [#]	Member	—	—

* Dr. Pawan Goenka ceased to be a Member of the CSR Committee ("the Committee") with effect from 2nd April, 2021 pursuant to his cessation as Managing Director and Chief Executive Officer of your Company and the Committee was re-constituted to appoint Dr. Anish Shah as a Member of the Committee with effect from 2nd April, 2021.

Mr. Muthiah Murugappan was inducted as a Member of the Committee with effect from 28th May, 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

<https://www.mahindra.com/investors/reports-and-filings>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

N/A

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
1.	NANHI KALI - Provides educational support (material & academic) to underprivileged girls in India through an after-school support program. Every girl is provided with 360-degree support including daily afterschool academic support and an annual school supplies kit comprising of a school bag, stationery, pullover/raincoat and feminine hygiene material to enable her to attend school with dignity. The girls also have access to digital tablets preloaded with a personalized, AI powered learning software called Mindspark. Further to promote holistic development, a professionally designed sports curriculum is integrated into the programme. Through regular engagement with the families of the girls and sensitisation of community stakeholders, the project aims to create conducive girl friendly eco-systems. In FY21, the project supported the education of 1,71,950 girls. Of these 33,046 girls were supported by your Company, while the Mahindra Group as a whole supported 73,699 girls. The balance girls were supported by individuals and other corporates.	Promoting Education	No	1) Tamil Nadu 2) Andhra Pradesh 3) Karnataka 4) Maharashtra 5) Madhya Pradesh 6) Gujarat 7) Punjab 8) Uttar Pradesh 9) West Bengal	1) Tiruvannamalai, Ramanathapuram, Krishnagiri 2) Visakhapatnam 3) Raichur 4) Mumbai, Palghar, Nashik, Pune, Kolhapur 5) Ratlam 6) Bharuch 7) Moga, Amritsar 8) Varanasi, Barabanki, Prayagraj, Shravasti 9) Darjeeling	14,83,76,000.00	No	K C Mahindra Education Trust (in partnership with Naandi Foundation)	CSR00000511
2.	MAHINDRA SCHOLARSHIPS FOR UWC STUDENTS - Scholarships to enable deserving students to study at Mahindra United World College of India.	Promoting Education	No	Maharashtra	Pune	3,00,00,000.00	No	Mahindra United World College, India	To be received
3.	RISE FOR SAFE ROADS- Achieving near Zero Fatality on Mumbai Nagpur Expressway through engineering, education, enforcement and capacity building	Promoting Education	No	Maharashtra	Mumbai, Mumbai - Nagpur Samruddhi Mahamarg (SMM)	2,66,33,600.00	No	Save Life Foundation	CSR00000728
4.	GYANDEEP- Child Friendly Schools development through construction of Sanitation infrastructure, boundary wall, hand wash stations and other necessary infrastructure	Promoting Education	Yes	Uttarakhand, Punjab, Maharashtra, Rajasthan, Madhya Pradesh, Tamil Nadu, Telangana, Karnataka	Rudrapur, SAS Nagar, Nagpur, Jaipur, Dhar, Sangareddy, Haridwar, Chennai, Perambalur, Bengaluru, Pune, Mumbai	2,33,28,997.72	Yes	Direct	N/A

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
5.	MAHINDRA SCHOOLS - Support for operations, essential repairs and maintenance	Promoting Education	Yes	Maharashtra, Andhra Pradesh	Mumbai, Khopoli, Zaheerabad	2,00,00,000.00	No	K C Mahindra Education Trust	CSR00000511
6.	AADARSH VIDYALAYA - Reconstruction of the Aadarsh Marathi and English medium school in Goregaon, which provides education to children from low income families residing in the neighbouring slums. Post reconstruction the plan is to convert the English medium school into an I.C.S.E school.	Promoting Education	Yes	Maharashtra	Mumbai	1,50,00,000.00	No	Vishal Mumbai Prasarak Mandal	To be received
7.	ROAD SAFETY INITIATIVES with an objective of creating safer roads. Activities include Two Wheeler safety, training of police personnel and community volunteers for developing Jeevandoot-first responder to road crash victims, road safety awareness sessions for school and colleges.	Promoting Education	No	Maharashtra, Telangana, Tamil Nadu, Karnataka	Mumbai, Nasik, Pune, Sangareddy, Chennai, Bengaluru	1,20,00,314.00	No	United Way Mumbai	CSR00000762
8.	CENTRE FOR RESEARCH & RURAL INDUSTRIAL DEVELOPMENT - Capacity Building and Awareness generation for combating environmental pollution by biomass burning and improving livelihoods by promoting circulatory rural economy.	Promoting Education/ Ensuring Environmental Sustainability	No	Punjab, Haryana & Rajasthan		75,00,000.00	No	Centre for Research & Rural Industrial Development	CSR00001895
9.	STREET SMART - Road safety initiatives promoting safe driving habits in collaboration with government	Promoting Education	Yes	Tamil Nadu, Uttarakhand, Maharashtra, Karnataka, Uttar Pradesh	Chengalpattu, Haridwar, Nasik, Bengaluru, Lucknow, Pune	77,47,113.44	Yes	Direct	N/A
10.	AWIM - Project Based Learning under AWIM for improving learning outcomes for 149,129 underprivileged children	Promoting Education	No	Pan India	Nasik, Haridwar, Pune, Sangareddy, Chengalpattu, Rudrapur, Mumbai	64,98,750.00	Yes	Direct	N/A
11.	SCHOLARSHIPS for girls with the objective of encouraging their education	Promoting Education	Yes	Pan India	Pan India	60,42,000.00	Yes	Direct	N/A
12.	FOUR E - Working on Four E- Engineering, Education, Emergency Care, Enforcement and Engagement Road Safety Awareness and Driver Training for Pune Mumbai Expressway. Zero Fatality corridor - MPEW- Working on 4E's of Road Safety. 'Since 2016, the Project has exceeded over 52% reduction in fatality (after correcting for COVID-19 lockdown)'. '	Promoting Education	No	Maharashtra	Mumbai, Raigad, Pune	60,38,801.00	No	Save Life Foundation	CSR00000728

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
13.	ROAD SAFETY WEEK celebrations and Drive for community mobilisation and capacity building : Atari to Kanyakumari Road Safety drive	Promoting Education	No	Punjab, Rajasthan, Gujarat, Maharashtra	Mohali, Jaipur, Vadodara, Mumbai	53,05,186.00	Yes	Direct	N/A
14.	TACTICAL URBANISM PROJECT - To reduce fatalities to near Zero on four selected intersections in Maharashtra using Tactical Urbanism methodology.	Promoting Education	No	Maharashtra	Mumbai, Pune	36,99,000.00	No	Save Life Foundation	CSR00000728
15.	STREET SMART - Training and capacity building of police personnel across police stations in Pune for safer roads and greater enforcements. Street Smart - Project Jeevandoot.	Promoting Education	Yes	Maharashtra	Pune	22,00,000.00	No	United Way Mumbai	CSR00000762
16.	GOVT. OF MAHARASHTRA PROJECT TO INCULCATE THE HABIT OF READING amongst 1,00,000 children in Grade 5-8 in Government schools.	Promoting Education	Yes	Maharashtra	Mumbai, Chakan, Nashik	20,00,000.00	Yes	Direct	N/A
17.	STREET SMART - Road safety initiatives promoting safe driving habits for the Road Safety Month celebration	Promoting Education	No	Punjab, Rajasthan, Gujarat, Maharashtra, Tamil Nadu, Uttarakhand, MP	Mohali, Mumbai, Rudrapur, Nagpur, Dhar, Jaipur, Chennai, Vadodara, Pune	19,62,008.00	Yes	Direct	N/A
18.	GYANDEEP - program aims to provide 24x7 power backup to the underprivileged students aiming at improvement in learning levels	Promoting Education	Yes	Maharashtra	Nasik	12,90,000.00	Yes	Direct	N/A
19.	K C MAHINDRA SCHOLARSHIP FOR POST GRADUATE STUDIES ABROAD - 4 students received this scholarship support to enable them to pursue their masters at a reputed university abroad.	Promoting Education	No	Pan India	Pan India	12,00,000.00	No	K C Mahindra Education Trust	CSR00000511
20.	STREET SMART - Road safety initiatives promoting safe driving habits in collaboration with government: Creation of road safe junction and zero fatality spots nearby plants	Promoting Education	Yes	Telangana	Sangareddy	10,64,499.00	Yes	Direct	N/A

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
21.	SEVA MANDIR - Project to support the Education of 600 out-of-school children and 100 in-school children aged 6 and 14 years in rural and tribal communities	Promoting Education	No	Rajasthan	Udaipur	10,00,000.00	No	Seva Mandir	CSR00000288
22.	SOCIAL AMBASSADORS PROGRAMME - Career Guidance Program for students from low income backgrounds	Promoting Education	Yes	Maharashtra	Mumbai	7,94,200.28	Yes	Direct	N/A
23.	SCHOLARSHIP PROGRAMME - Educational advancement of economically backward students	Promoting Education	No	Maharashtra	Mumbai	7,50,000.00	No	Thakur Educational Trust	To be received
24.	MAHINDRA ALL INDIA TALENT SCHOLARSHIP - To low Income Family Students to Pursue Vocational Education at Polytechnic Institutes	Promoting Education	Yes	Karnataka, Kerala, Tamil Nadu, Telangana, Maharashtra, Delhi, Uttar Pradesh, West Bengal, Chandigarh, Gujarat, Rajasthan, Andhra Pradesh	Bengaluru, Cochin, Chennai, Hyderabad, Mumbai, Delhi, Lucknow, Kolkata, Chandigarh, Ahmedabad, Jaipur, Vishakhapatnam	5,00,000.00	No	K C Mahindra Education Trust	CSR00000511
25.	SAHYOG - Digital Volunteering platform enabling employees to contribute to the society, across the country.	Promoting Education	No	Pan India	Pan India	4,17,873.00	Yes	Direct	N/A
26.	MOBILE LIBRARY PROJECT - for underprivileged children including school drop outs to inculcate reading habits and provide learning resources through books.	Promoting Education	No	Rajasthan	Bikaner	3,60,000.00	No	Ajit Vyas foundation for Social Development	To be received
27.	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	Yes	Maharashtra	Mumbai	2,50,000.00	No	Maharashtra State Women's Council	CSR00004977
28.	GYANDEEP - Promotion of education through improved sports facilities for rural school students	Promoting Education	Yes	Punjab	SAS Nagar	1,49,792.00	Yes	Direct	N/A

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/ No)	Agency	CRN
29.	MAHINDRA PRIDE SCHOOL & CLASSROOMS - The Mahindra Pride Schools (MPS) provide livelihood training to youth from socially & economically disadvantaged communities. In FY21, the Mahindra Group supported 7 schools in Pune, Chandigarh, Hyderabad, Varanasi and 3 in Chennai through which 4342 students were trained. Of these, your Company has supported the schools in Chandigarh, Varanasi, 2 schools in Chennai, and Hyderabad, which cumulatively skilled 2520 youth in FY21. From inception till date, MPS has trained 43,622 youth. Due to the COVID-19 pandemic and government-imposed regulations, the training this year was conducted online. While the placement record for MPS has been 100% over the years, placements have been adversely affected in FY21 due to the COVID-19 pandemic. Further, through your Company's CSR grant an additional 61,677 students were trained through the Mahindra Pride Classrooms (MPC), conducted in partnership with Polytechnics and Arts & Science Colleges in 13 States of India. MPC provided 20 hours of online 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 92,304 students through 1816 Mahindra Pride Classrooms in FY21.	Promoting employment enhancement vocation skills and livelihood enhancement projects	No	1) Maharashtra 2) Tamil Nadu 3) Bihar 4) Kerala 5) Andhra Pradesh 6) Telangana 7) Uttar Pradesh 8) Delhi 9) Haryana 10) West Bengal 11) Rajasthan 12) Odisha 13) Jharkhand 14) Chandigarh	Multiple districts across each state	11,50,00,000.00	No	K C Mahindra Education Trust (in partnership with Naandi Foundation)	CSR00000511
30.	HUNNAR - Skill and Entrepreneurship Development program for youth	Promoting employment enhancement vocation skills and livelihood enhancement projects	Yes	Maharashtra, Delhi, Haryana	Delhi, Mumbai, Nasik	5,95,904.00	Yes	Direct	N/A
31.	VOCATIONAL SKILLING OF YOUTH - To provide employable vocational skills to 500 youth under Automotive, welding and electrical trades for attaining formal sector jobs	Promoting employment enhancement vocation skills and livelihood enhancement projects	No	Maharashtra, Punjab	Nasik, Mohali	1,20,00,000.00	No	Pratham Education Foundation	CSR00000258

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
32.	SKILLING PROJECT - Livelihood training (Auto & Electrical) and scholarship support for 450 youth from economically backward backgrounds and capacity building of representatives from 4 Government ITIs through a Training of Trainers programme.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Yes	Maharashtra	Mumbai	90,00,000.00	No	Don Bosco Industrial Training Institute	CSR00002656
33.	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	No	Karnataka	Haliyal	7,30,000.00	No	V R Deshpande Memorial Trust	To be received
34.	HUNNAR- SANSKAR - Skill And Entrepreneurship Development program with practical sessions, special session on Entrepreneurship development for Start-ups and Industrial Visits.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Yes	Maharashtra	Nagpur	3,31,258.00	Yes	Direct	N/A
35.	HUNNAR- DISHA - Skill And Entrepreneurship Development program for youth through a tractor Maintenance Training for empowerment of unemployed youth from Rural areas of Hingna.	Promoting employment enhancement vocation skills and livelihood enhancement projects	Yes	Maharashtra	Nagpur	2,76,617.00	Yes	Direct	N/A
36.	ANTIM PRASTHAN - Redevelopment of the (Mata Ramabai Ambedkar WORLI Smashan Bhumi) WORLI Crematorium in Mumbai to make it a world class facility in partnership with MCGM	Promoting Preventive Healthcare & Sanitation/ Ensuring Environmental Sustainability	Yes	Maharashtra	Mumbai	2,50,00,000.00	No	Hiralal Parekh Parivaar Charity Trust	CSR00000249
37.	SWACHH BHARAT - Clean India Initiative covering cleanliness and maintenance of local parks and public spaces	Promoting Education	Yes	Maharashtra, Punjab, Uttarakhand, Rajasthan, Madhya Pradesh, Tamil Nadu	Nagpur, SAS Nagar, Dhar, Jaipur, Rudrapur, Nasik, Haridwar, Perambalur	77,20,373.88	Yes	Direct	N/A
38.	SEHAT - Public Health Improvement e.g. Mobile Dispensary	Promoting Preventive Healthcare & Sanitation	Yes	Telangana, Maharashtra, Madhya Pradesh, Uttarakhand, Karnataka, Tamil Nadu	Sangareddy, Nagpur, Wardha, Dhar, Rudrapur, Bengaluru, Perambalur, Mumbai, Palghar, Pune, Chengalpattu	65,38,702.00	Yes	Direct	N/A
39.	STREET SMART - Road safety initiatives promoting safe driving habits	Promoting Preventive Healthcare & Sanitation	No	Uttar Pradesh	Lucknow	40,328.00	No	Sevamob	CSR00001153
40.	SWACHH BHARAT - Ground clearance, sanitation and beautification of public space below western express highway (Kherwadi) in Mumbai	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Mumbai	51,37,833.00	Yes	Direct	N/A

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
41.	JEEVANDAAN - Blood Donation drive for Thalassaemia kids	Promoting Preventive Healthcare & Sanitation	Yes	Telangana, Maharashtra	Sangareddy, Nagpur	36,76,354.00	Yes	Direct	N/A
42.	SANSAD MOBILE SWASTHYA SEVA PROGRAMME OF PARYAS SOCIETY - 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 & Sanitation	No	Himachal Pradesh	Hamirpur	35,28,000.00	No	Paryas Society	CSR00001812
43.	SWACHH BHARAT - Ground clearance, sanitation and beautification of public space around the ESIC Hospital premises, which provides health care support to underserved community.	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Mumbai	35,02,240.00	Yes	Direct	N/A
44.	SOLID WASTE MANAGEMENT PROJECT - Decentralised, Community Led, Self-Sustaining solid waste management project in Igatpuri	Promoting Preventive Healthcare & Sanitation	No	Maharashtra	Nasik	35,00,000.00	No	FINISH Society	CSR00001053
45.	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 & Sanitation	Yes	Maharashtra	Mumbai	25,00,000.00	No	Mahindra Foundation	CSR00000629
46.	SEHAT - Mobile medical dispensary ensuring daily Medical Check-ups and provision of medicines for local community members for slum areas in Damu Nagar and Kranti Nagar	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Mumbai	24,51,000.00	No	Navnirman Samaj Vikas Kendra	CSR00001376
47.	SEHAT - Primary Health and Cancer screening and detection program for the underserved community	Promoting Preventive Healthcare & Sanitation	Yes	Punjab	Patiala, Bathinda, SAS Nagar	21,74,459.20	No	Global Cancer Concern India	CSR00001764
48.	SEHAT - Aids Awareness and Rehabilitation for 500+ personnel affected with HIV aids	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Nasik	19,99,700.00	No	Yash Foundation	CSR00001588
49.	GRAM VIKAS - SARVAJAL - Water ATM Installation for easy access to safe drinking water	Promoting Preventive Healthcare & Sanitation	Yes	Madhya Pradesh	Dhar	13,19,016.00	No	Enable health Society	To be received
50.	SEHAT - Public Health Improvement initiative for Aids affected people aiding in treatment and counselling	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Nasik	10,00,000.00	Yes	Direct	N/A
51.	SEHAT - Public Health Improvement	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Nasik	6,90,998.00	No	Yash Foundation	CSR00001588

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
52.	NAVDRUSHTI - Eye care for all health camp	Promoting Preventive Healthcare & Sanitation	Yes	Uttarakhand	Haridwar	6,03,000.00	Yes	Direct	N/A
53.	GRAM VIKAS - Holistic Rural Development	Promoting Preventive Healthcare & Sanitation	Yes	Uttarakhand, Rajasthan, Maharashtra	Rudrapur, Jaipur, Nagpur	4,30,149.00	Yes	Direct	N/A
54.	SUPPORT TO ST. JUDE CHILD CARE CENTRES - to enable them to provide support to underprivileged children undergoing treatment for Cancer and their families.	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Mumbai	2,00,000.00	No	St. Jude India	CSR00001026
55.	JEEVANDAN - Blood Donation Initiative	Promoting Preventive Healthcare & Sanitation	Yes	Maharashtra	Nasik	14,461.00	Yes	Direct	N/A
56.	PROJECT HARIYALI - Adding green cover & protecting biodiversity by planting 0.90 million trees in Araku Valley, contributing towards the livelihood of tribal farmers growing coffee in this region. In FY21, the Mahindra Group, planted a total 1.14 million trees across India.	Ensuring Environmental Sustainability	No	Andhra Pradesh	Araku	2,60,00,000.00	No	Naandi Foundation	CSR00001184
57.	SUSTAINABLE VILLAGE DEVELOPMENT PROGRAMME - ALWAR - Sustainable village development for livelihood enhancement through conservation and restoration of natural resources in Rajgarh.	Ensuring Environmental Sustainability	No	Rajasthan	Alwar	1,75,00,000.00	No	Sarv Mangal Gramin Vikas Sansthan	CSR00000154
58.	SUSTAINABLE VILLAGE DEVELOPMENT PROGRAMME - JALGAON - integrated approach of water conservation, sustainable agriculture and livelihood enhancement in 10 villages/tribal hamlets of Chopda block in Jalgaon district of Maharashtra	Ensuring Environmental Sustainability	No	Maharashtra	Jalgaon	1,59,75,763.00	No	Action for Food Production	CSR00000747
59.	HARIYALI - Tree Plantation drive with the aim of Increasing Green Cover	Ensuring Environmental Sustainability	Yes	Telangana, Jharkhand, Tamil Nadu, Uttar Pradesh, Uttarakhand, Maharashtra, Madhya Pradesh, Punjab, Rajasthan	Sangareddy, West Singhbhum, Lohardaga, Simdega, Coimbatore, Varanasi, Chengalpattu, Haridwar, Nasik, SAS Nagar, Dhar, Nagpur, Jaipur, Rudrapur	1,57,72,788.29	Yes	Direct	N/A

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
60.	SUSTAINABLE VILLAGE DEVELOPMENT PROGRAMME - RAICHUR - creating models for arid zone and drought prone area development through natural resource management and drought proofing.	Ensuring Environmental Sustainability	No	Karnataka	Raichur	1,08,21,665.00	No	Mysore Resettlement and Development Agency	CSR00001099
61.	DIVERSION BASED IRRIGATION (DBI) PROJECT - aims to improve water availability through runoff water and availability of irrigation avenues in tribal hill areas through DBI as zero energy tool for irrigation. It will help to enhance crop productivity and annual income of poor tribal families through promotion of climate resilient agriculture and Farmers Field School	Ensuring Environmental Sustainability	No	Maharashtra	Nasik	1,00,72,000.00	No	BAIF Institute of Sustainable Livelihoods and Development	CSR00000259
62.	SUSTAINABLE VILLAGE DEVELOPMENT PROGRAMME - SANGAREDDY - Water and Agriculture resource management through ecosystem regeneration following approach of developing natural resource base for sustainable livelihoods.	Ensuring Environmental Sustainability	No	Telangana	Sangareddy	96,18,316.00	No	Dhan Vayalagam (Tank) Foundation	CSR00000248
63.	JAL SAMRUDDHI - Water Centric interventions for development of livelihoods for tribal households through natural resource management	Ensuring Environmental Sustainability	No	Odisha	Balangir	94,06,013.00	No	BAIF Institute of Sustainable Livelihoods and Development	CSR00000259
64.	INTEGRATED WATERSHED DEVELOPMENT PROJECT - HATTA, DAMOH to achieve farm tech prosperity through natural resource management in Collaboration with NABARD	Ensuring Environmental Sustainability	No	Madhya Pradesh	Damoh	92,99,630.00	Yes	Direct	N/A
65.	RIVER BASIN DEVELOPMENT PROJECT - This includes Integrated Natural Resource Management and Livelihood Development in catchments of Tapi river	Ensuring Environmental Sustainability	No	Maharashtra	Nandurbar	92,25,000.00	No	Development Support Centre	CSR00000674
66.	WATERSHED MANAGEMENT PROJECT WITH NABARD in Igatpuri, in Nashik district covering 20 villages, over 13500 hectares and benefitting a population of more than 23020 individuals	Ensuring environmental sustainability	No	Maharashtra	Nashik	88,50,000.00	No	BAIF Institute for Sustainable Livelihood and Development	CSR00000259

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
67.	HOLISTIC VILLAGE DEVELOPMENT PROJECT - HARIDWAR - Holistic Development through watershed approach in 2 blocks of Bhadrabad and Bhagwanpur in Haridwar with a focus on supply and demand side management of water and agriculture development.	Ensuring Environmental Sustainability	No	Uttarakhand	Haridwar	74,35,000.00	No	Peoples' Science Institute	CSR00001285
68.	GREEN GUARDIAN PROJECT PANI - Renovation of Water Bodies ensuring availability of water in drought prone areas	Ensuring Environmental Sustainability	Yes	Punjab	SAS Nagar	73,15,108.06	Yes	Direct	N/A
69.	GREEN GUARDIAN - Renovation of Water Bodies in Ajmer to harvest rain water and improve ground water recharge of 15 villages	Ensuring Environmental Sustainability	Yes	Rajasthan	Ajmer	70,85,310.00	No	Sarv Mangal Gramin Vikas Sansthan	CSR00000154
70.	JAL SAMRUDDH - BARMER - Water centric livelihood development program in Barmer for creating models for arid zone development through natural resource management	Ensuring Environmental Sustainability	No	Rajasthan	Barmer	65,94,000.00	No	BAIF Institute of Sustainable Livelihoods and Development	CSR00000259
71.	HOLISTIC VILLAGE DEVELOPMENT PROJECT - SONBHADRA Integrated village development through water conservation and sustainable agriculture practices in Sonbhadra, UP covering 2500 ha benefiting 1000 farming households	Ensuring Environmental Sustainability	No	Uttar Pradesh	Sonbhadra	65,42,086.00	No	SM Sehgal Foundation	CSR00000262
72.	HOLISTIC VILLAGE DEVELOPMENT PROJECT - MUZAFFARPUR - Integrated Natural Resource Management and Livelihood Development through interventions such as Climate Smart Agriculture.	Ensuring Environmental Sustainability	No	Bihar	Muzaffarpur	65,00,000.00	No	SM Sehgal Foundation	CSR00000262
73.	INTEGRATED VILLAGE DEVELOPMENT - RUDRAPUR - empowering communities for water and farm management in areas of Bhimtal and Rudrapur with expected coverage of 3500 Households	Ensuring Environmental Sustainability	No	Uttarakhand	Rudrapur	61,23,955.00	No	Central Himalayan Rural Action Group	To be received
74.	WATERSHED DEVELOPMENT PROJECT - LATUR - Enhancing resilience of farming communities to climate risk through Soil water conservation and modern agriculture technologies in Latur	Ensuring Environmental Sustainability	No	Maharashtra	Latur	60,00,000.00	No	Dilasa Janvikas Pratishtan	CSR00000098

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
75.	GREEN GUARDIAN - Renovation of water Tanks in 10 Schools for creating roof top rain water harvesting structures	Ensuring Environmental Sustainability	Yes	Rajasthan	Jaipur, Sikar, Nagoar, Alwar, Jodhpur	49,22,612.00	No	Sarv Mangal Gramin Vikas Sansthan	CSR00000154
76.	INTEGRATED VILLAGE DEVELOPMENT - REWA - Climate Smart agriculture development program in Rewa district of Madhya Pradesh covering 3000 farmers to create resilient agriculture systems	Ensuring Environmental Sustainability	No	Madhya Pradesh	Rewa	47,00,000.00	No	BAIF Institute of Sustainable Livelihoods and Development	CSR00000259
77.	INTEGRATED VILLAGE DEVELOPMENT - NASIK - Integrated Watershed development fund project at Nasik to create enhanced natural resource base for 1000 tribal families	Ensuring Environmental Sustainability	No	Maharashtra	Nasik	30,93,340.00	Yes	Direct	N/A
78.	FARMERS SUPPORT EXTENSION PROGRAM - for sustainable farming and livelihood development and resource creation (e.g. Seed banks, Farm Equipment pooling etc) with 500 farmers	Ensuring Environmental Sustainability	No	Madhya Pradesh	Bhopal	30,00,000.00	No	SOLIDARIDAD REGIONAL EXPERTISE CENTRE	To be received
79.	GEO HYDROLOGICAL STUDY - for Nasik integrated watershed development project to understand recharge and discharge zones aiding natural resource management	Ensuring Environmental Sustainability	No	Maharashtra	Nasik	27,31,683.00	Yes	Direct	N/A
80.	HARIYALI - Tree Plantation drive with the aim of Increasing Green Cover planting and maintaining 12500 plants	Ensuring Environmental Sustainability	Yes	Karnataka	Bengaluru	21,25,000.00	No	Saytrees Environmental trust	CSR00000702
81.	GRAM VIKAS - M-Powered village-Skill Development program including Women Empowerment, Agriculture & Allied activities	Ensuring Environmental Sustainability	Yes	Uttar Pradesh	Unnao, Jalaun	20,00,000.00	No	Mrida Heart & Soul Foundation	CSR00001125
82.	INTEGRATED WATERSHED MANAGEMENT PROJECT BHOPAL for improvements of natural resource base	Ensuring Environmental Sustainability	No	Madhya Pradesh	Bhopal	19,99,970.00	Yes	Direct	N/A
83.	SURYODAYA - Solar Project ensuring environmental sustainability with installation of 4 solar powered irrigation pumps	Ensuring Environmental Sustainability	No	Madhya Pradesh	Damoh	19,67,025.00	Yes	Direct	N/A
84.	GRAM VIKAS - Holistic Rural Development planning and program implementation of capacity building of 5 VDCs with coverage of 1500 villagers through natural resource management	Ensuring Environmental Sustainability	No	Maharashtra	Palghar	15,00,000.00	No	BAIF Institute of Sustainable Livelihoods and Development	CSR00000259
85.	GRAM VIKAS - Livelihood Improvement through Rural Development projects	Ensuring Environmental Sustainability	Yes	Maharashtra	Nagpur	14,57,319.00	No	YUVA	CSR000002429

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
86.	GREEN GUARDIANS - Water Management initiative to build water storage structure to support 200 farming households	Ensuring Environmental Sustainability	No	Haryana	Nuh	14,07,763.00	No	FORCE	CSR00000038
87.	ESOPs: HARIYALI - Plantation initiative undertaken to increase the green cover, protect bio diversity and also create awareness amongst citizens	Ensuring Environmental Sustainability	No	Others - Pan India (Maharashtra, Tamil Nadu, Karnataka, Andhra Pradesh, Telangana, Gujarat, Kerala, West Bengal, Rajasthan, Madhya Pradesh, Punjab, Odisha, Delhi, Goa, Himachal Pradesh)	Pan India	11,16,962.40	Yes	Direct	N/A
88.	PEOPLE FOR ANIMAL - Support for setting up a hospital cum shelter for animals at Durg, Bhilai, Chhattisgarh.	Ensuring Environmental Sustainability	No	Chhattisgarh	Bhilai	10,00,000.00	No	People for Animal	CSR00001927
89.	GRAM VIKAS - Holistic Rural Development planning and program implementation of capacity building of 2 VDCs with coverage of 300 villagers through natural resource management	Ensuring environmental sustainability	Yes	Maharashtra	Nasik	10,00,000.00	No	Vanvasi Kalyan Ashram	To be received
90.	HARIYALI - Tree Plantation drive with the aim of Increasing Green Cover	Ensuring Environmental Sustainability	Yes	Maharashtra	Palghar/Thane	5,00,000.00	No	Navnirman samaj Vikas Kendra	CSR00001376
91.	GRAM VIKAS - Holistic Rural Development: Water resource interventions	Ensuring Environmental Sustainability	Yes	Telangana	Sangareddy	4,21,061.00	Yes	Direct	N/A
92.	GRAM VIKAS - Holistic Rural Development	Ensuring Environmental Sustainability	Yes	Maharashtra	Nasik	1,33,648.00	No	Dilasa Janvikas Pratisthan	CSR00000098
93.	VSTF SMART (Balasaheb Thackeray Agribusiness and Rural Transformation Project) - Supporting the Government of Maharashtra's market led, inclusive and competitive value chain programme assisted by the World Bank. The programme focuses on small, marginal farmers and agri-entrepreneurs of the state.	Rural Development	No	Maharashtra	Yavatmal, Amravati	2,30,00,000.00	No	Village Social Transformation Foundation	CSR00003542
94.	SAMRIDDH KISAAN - KRISHI MITR - Agricultural Productivity program focusing on agronomy advisory services to farmers to improve the access to farm machines through Custom Hiring Centre (CHC).	Rural Development	Yes	Uttar Pradesh, Madhya Pradesh, Maharashtra	Sultanpur, Chhindwara, Aurangabad	1,00,99,750.00	No	SM Sehgal Foundation	CSR00000262
95.	GRAM VIKAS - Holistic Rural Development	Rural Development	Yes	Telangana	Sangareddy	2,00,000.00	No	Dhan Foundation	CSR00000248

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
96.	COVID-19 PANDEMIC MITIGATION - Resilience building and COVID care response through distribution of COVID care kits consisting masks, sanitisers, face shields and medical equipment's to patients, administrations and government	Disaster Management	Yes	Madhya Pradesh, Punjab, Uttarakhand, Rajasthan, Maharashtra, Bihar, Tamil Nadu, Telangana	Dhar, SAS Nagar, Jaipur, Rudrapur, Nasik, Mumbai, Pune, Haridwar, Bhagalpur, Sangareddy, Chengalpattu	3,60,18,948.48	Yes	Direct	N/A
97.	AGRI ENTREPRENEURSHIP PROGRAM - High quality Agri training to 6000 migrant youth impacted by COVID-19, to equip them with a range of skills that will enable them to start earning a livelihood from agriculture activities, as agri-skilled farmers or agri entrepreneurs.	Disaster Management	No	Maharashtra, Andhra Pradesh, Delhi, Telangana, Karnataka	Wardha, Araku, Delhi, Hyderabad, Bengaluru	3,25,00,000.00	No	Naandi Foundation	CSR00001184
98.	SWADES FOUNDATION PROGRAMME - for providing livelihood (goat rearing and fishing) support to 679 COVID-19 impacted households.	Disaster Management	No	Maharashtra	Raigad	1,27,42,391.00	No	Swades Foundation	CSR00000440
99.	PROMOTION OF RESEARCH AND STUDY - A Counter-Pandemic Law and Governance Strategy for a Resilient India	Disaster Management	No	Delhi	Delhi	50,00,000.00	Yes	Direct	N/A
100.	NESCO COVID CARE CENTRE- CSR grant to Ratna Nidhi Charitable Trust (partnering with BMC) for purchase of ICU beds for the BMC managed COVID care centre at the NESCO convention centre in Mumbai. (Post the pandemic, these beds will be donated to healthcare centres in the interiors of Maharashtra, where there is inadequate medical infrastructure).	Disaster Management	Yes	Maharashtra	Mumbai	25,00,000.00	No	Ratna Nidhi Charitable Trust	CSR00000064
101.	COVID-19 PANDEMIC MITIGATION - through Food and PPE kit distribution drives	Disaster Management	Yes	Maharashtra	Mumbai	24,24,000.00	No	Navnirman Samaj Vikas Kendra	CSR00001376
102.	COVID-19 PANDEMIC MITIGATION - Distribution of COVID care kits to 400 Anganwadi and ASHA workers	Disaster Management	Yes	Maharashtra	Pune	16,00,000.00	No	Yash Foundation	CSR00001588
103.	COVID-19 RELIEF ACTIVITIES FOR DISADVANTAGED COMMUNITIES (rag pickers, leprosy affected patients and daily wage earners).	Disaster Management	Yes	Maharashtra	Mumbai	7,99,986.00	No	Navjeevan Lokvikas Sansthan	CSR00000985

Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Agency	CRN
104.	KISHI MITR - Prerna Program focussing on empowerment of Women Farmers in farm mechanization	Promoting gender equality, empowering women	Yes	Punjab, Maharashtra, Telangana	SAS Nagar, Wardha, Sangareddy	78,98,448.00	Yes	Direct	N/A
105.	KISHI MITR - Prerna Program focussing on empowerment of Women Farmers in farm mechanization	Promoting gender equality, empowering women	Yes	Maharashtra	Palghar	48,00,000.00	No	BAIF Institute of Sustainable Livelihoods and Development	CSR00000259
106.	PROJECT PRERNA - Empowering women as changemaker in agriculture through imparting capacity development training to 650 champion women farmers cascading down to 5800 women farmers. Established Custom hiring centres in each cluster for enablement and development of skills and livelihood for the beneficiaries	Promoting gender equality, empowering women	No	Maharashtra, Karnataka, Madhya Pradesh	Sirur, Sinnar, Tiptur, Tumkur, Sihore, Badwani	29,92,381.00	No	BAIF Institute of Sustainable Livelihoods and Development	CSR00000259
107.	KISHI MITR - Prerna Program focussing on empowerment of Women Farmers in farm mechanization	Promoting gender equality, empowering women	Yes	Karnataka	Haveri	27,60,000.00	No	Mysore Resettlement and Development Agency	CSR00001099
108.	KISHI MITR - Prerna Empowerment of Women Farmers in farm mechanization	Promoting gender equality, empowering women	Yes	Uttarakhand	Rudrapur	18,58,200.00	No	Suvidha	CSR00000399
109.	KRISHI MITR - Prerna Program focussing on empowerment of Women Farmers in farm mechanization	Ensuring Environmental Sustainability	Yes	Rajasthan	Jaipur	1,50,000.00	No	Swajan	CSR00003098
TOTAL SPEND						92,06,25,649			

(d) Amount spent in Administrative Overheads – Rs. 71,91,637

(e) Amount spent on Impact Assessment, if applicable – N/A

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – Rs. 92,78,17,286

(g) Excess amount for set off, if any – Not applicable

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	
(ii)	Total amount spent for the Financial Year	
(iii)	Excess amount spent for the financial year [(ii)-(i)]	
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	

9. (a) Details of Unspent CSR amount for the preceding three financial years – Not applicable

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
	TOTAL						

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) – Not applicable

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project – Completed/ Ongoing.
	TOTAL							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – No capital asset was created or acquired during the financial year 2021 through CSR spend.

(a) Date of creation or acquisition of the capital asset(s) – None

(b) Amount of CSR spent for creation or acquisition of capital asset – Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Not applicable

(d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – Not applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – Not applicable

ANISH SHAH

Managing Director and CEO

Mumbai, 28th May, 2021

VISHAKHA N. DESAI

Chairperson – CSR Committee

ANNEXURE VIII

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 2020-21

(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 across all its operations and improve the bottom-line under our '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. Your Company is also committed for Science Based Target (SBT) to De-carbonize its growth and thus contributing to keep global temperature rise 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. 16 facilities of your Company have been certified as Zero waste to land fill.

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

- Programs for improving energy efficiency and energy productivity across all operations.
- Thrust on increasing share of renewable energy.
- Converting existing Facilities into Green buildings and factories.
- Rainwater harvesting, reduce usage, reuse, and recycle water.
- Thrust on zero waste to land fill and promote circular economy.

- Eco efficiency in supply chain.
- Creating awareness and promote sustainability amongst stakeholders.

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

- Installation of Trigeration Project for power generation.
- Replacement of conventional air circulators with BLDC technology air circulators.
- Installation of demand side controller for air compressor system.
- Replacement of old conventional lights with LEDs.
- Installation of energy efficient air compressor.
- Replacement of old motors with premium efficiency IE3 motors.
- Installation of Energy efficient inverter split AC's.
- Installation of auto shut off valves for compressed air.
- Waste heat recovery from air compressors.
- Installation of IT guns for spot welding, etc.

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

- National energy conservation week celebration at all plants during 14th to 20th December.
- Sustainability month celebration at all plants (June month).
- Organizing annual Sustainability summit for employees.
- Capability building programs on Energy and Sustainability for employees and Supplier partners.

- Celebration of Founders' day with specific theme based on Energy and Sustainability.
- Organizing various competitions to engage employees like ECO warrior, posters, slogans, suggestions, and quiz.
- Sustainability awareness for family members of Employees.
- Enhance learning through digital platforms like E learning, Webinars.
- Awareness creation through e-mailers, wall papers, posters, and slogans, etc.

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

For the year under review, your Company has sourced 18.8 MWp Solar power and 10.7 MW Wind power contributing to 9.56% of total power consumption and mitigating 22,308 tons of CO₂.

Your Company has set a target to increase the share of renewable energy to around 15% by Financial Year 2022.

(iii) The capital investment on energy conservation equipments

For the year under review, your Company implemented various projects towards Energy Conservation, to the tune of Rs. 32.25 crores (Rs. 7.25 crores as CAPEX and around Rs. 25 crores through the OPEX route). These projects include Energy efficient motors, compressor heat recovery, energy efficient pumps, VFD's and many more energy conservation initiatives.

(B) Technology Absorption

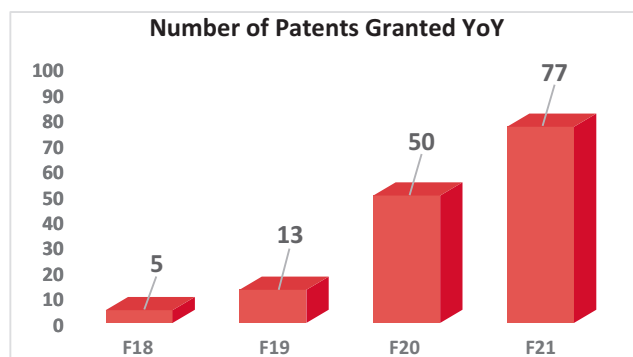
(i) The efforts made towards technology absorption:

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 Vehicle Energy Management technologies, Weight management technologies,

electrification technologies, safety technologies, automotive electronics and connected vehicles. In Farm Equipment Sector, technology areas such as intelligent tractors, smart implements and new electronic architecture were given special emphasis. This would help in making the Company's 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 138 patent applications. Cumulatively, your Company has filed 1,591 patent applications so far. The Company's total patent granted portfolio stands at 202 currently across multiple geographies and has significantly grown over the last few years.



(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 2020-21 are:

Automotive Sector

- Launch of Marazzo Diesel, XUV300 AMT, Alturas G4, all new Thar, Alfa Diesel, Bolero and Scorpio Pik-up, Supro Star and Jeeto Load.
- Vehicle Energy Management CoE established to drive CAFÉ 2022 plan for all platforms.

- Development of in-house capabilities on friction test rigs to help reduce friction losses.
- Weight management achievements includes reduction of 32.2 kgs in W601 program, meeting weight targets for the all new Thar of 1774 kg.
- Performance Driven concept architecture process based on learning from VTX in ANB cross-deployed in UPP, W502 and P115. Concept Simulation based on FE based Morphing is under progress for V201 platform finalization.
- Virtual verification of occupant ergonomics parameters with enhanced 207 Digital verification plans (DVPs) based W601 LL being cross deployed W502, W620 in V201.
- Connected car technology including cybersecurity penetration tests completion, AIS 076 regulatory compliance clearance and cloud protection environment established.
- Working on advanced electronics capabilities like facial, gesture and emotion recognition, driver monitoring and forward collision object detection where in-house POCs completed.
- The all-new Thar is the First Indian off-roader to achieve Global NCAP 4-Star amongst cars tested by Global NCAP under Safer Cars for India. It is also the First car with 4-STAR child safety rating with highest child Safety score of (41/49) amongst cars tested by Global NCAP under Safer Cars for India.
- XUV300 is the First Indian car to achieve highest ever adult score (16.42/17) amongst cars tested by Global NCAP under Safer Cars for India. It is also the first vehicle with 4-Star child safety rating in Global NCAP. Awarded the first ever Safer Choice award by Global NCAP.
- Marazzo is the First Indian MPV to achieve Global NCAP 4-STAR amongst cars tested by Global NCAP for India.

Farm Equipment Sector

Successful prove out of multiple technologies for adaptation and launch across tractor platforms:

- Front PTO & Hitch for Potato planter application & Electric Quick Lift for quick lift and lowering, for the MSTAR platform.
- Digisense 2.0/3.0 Telematics Implementation across MStar, Yuvo, H1 and Swaraj Division.
- Jivo e-Governor – for electronic governing for vineyard application on the Small Tractor platform.
- Tez-e Smart Rotavator to achieve higher productivity at lower cost, better pulverization in a single pass – for ZLX, SLX, VLX Rotavators.

(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	VGT with e-Actuation	2018	Technology Absorbed
2	TGDI Technology for Gasoline Engines	2018	Technology Absorbed
3	Next Gen Automotive LED lighting technology	2018	Technology Absorbed
4	Next Gen Display & HMI technology for driver controls, and infotainment @	2018	In the process of Absorption
5	Technologies to enhance HVAC system efficiency & improve in-cabin air quality	2018	Technology Absorbed
6	DRL Light Guide Lamps for Tractors	2018	Technology Absorbed
7	Push Start Stop with immobilizer for tractor	2018	Technology Absorbed
8	Smart Electronic Architecture with FMCU Module for Digitization of tractors in future	2018	Technology Absorbed
9	Power Hi-Low transmission	2019	Technology Absorbed
10	Intelligent Tractor @	2019	In the process of Absorption
11	Dual zone Automatic temperature control	2019	Technology Absorbed
12	Activated carbon filter	2019	Technology Absorbed
13	Driver knee air bag in IP for better safety	2019	Technology Absorbed

Sr. No.	Details of Technology Imported	Year of Import	Status of Technology Absorption
14	EPP Energy absorber	2019	Technology Absorbed
15	Light Weight High Performance Material	2019	Technology Absorbed
16	Heaters in ORVM	2019	Technology Absorbed
17	Selective Catalyst Reduction (SCR) Technology	2020	Technology Absorbed
18	Diesel particulate Filter (DPF) Technology	2020	Technology Absorbed
19	Advanced safety features @	2020	In the process of Absorption
20	Sequential Turn Indicator @	2020	In the process of Absorption
21	Adaptive Driving Beam @	2020	In the process of Absorption
22	Dynamic Bending Lamp @	2020	In the process of Absorption
23	5-Phase High Efficiency Alternator @	2020	In the process of Absorption
24	LIN Controlled Switches @	2020	In the process of Absorption
25	Smart Hydraulics	2020	Technology Absorbed
26	Hill Farming	2020	Technology Absorbed
27	Hydraulic Higher Lift Capacity	2020	Technology Absorbed
28	DLC coated Piston Pin technology @	2021	In the process of Absorption
29	Hollow cam shaft Gasoline engines @	2021	In the process of Absorption
30	Hollow sodium cooled exhaust Valve technology in Gasoline @	2021	In the process of Absorption
31	350 bar GDI System in Gasoline engines @	2021	In the process of Absorption
32	Fully variable displacement oil pump in diesel @	2021	In the process of Absorption
33	Map controlled Piston cooling jet @	2021	In the process of Absorption
34	Miller + variable geometry gasoline turbine @	2021	In the process of Absorption
35	Adaptive cruise control @	2021	In the process of Absorption
36	Automatic transmission with Neutral controlled function @	2021	In the process of Absorption
37	Gasoline Particulate filter @	2021	In the process of Absorption

@ 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. 2,160.08 crores (including Rs. 1,307.00 crores on Capital Expenditure) for Research & Development work during the year, which was approximately 4.7% 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, 2021	For the Financial Year ended 31 st March, 2020
Foreign Currency Earnings	2,000.03	2,237.45
Foreign Exchange Outgo (including remittance of Dividend)	1,096.54	1,096.90

For and on behalf of the Board

ANAND G. MAHINDRA
Executive Chairman

Mumbai, 28th May, 2021

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 formulated certain policies, 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"). The policies as mentioned below are available on the Company's website, and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>. 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.	There was a change in the processes under the Ethics Helpline under Whistleblower Policy of the Company to strengthen the Vigil mechanism.
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.	The Code of Conduct for Directors of the Company was amended to appoint Dr. Anish Shah, Managing Director and CEO as the Compliance Officer for the Code of Conduct for Directors in place of Dr. Pawan Goenka, with effect from 2 nd April, 2021 for administering the Code. The Code of Conduct for Senior Management and Employees of the Company was amended to provide amendment to the clauses pertaining to Delivering lectures, Outside Employment and Outside Investments.
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".	There has been no change to the Code.

Name of the Policy	Brief description	Summary of key changes made to the Policies during the year
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.	There has been no change to this policy.
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.	There has been no change to this policy.
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.	There has been no change to this policy.
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.	There has been no change to this policy.
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.	The CSR Policy of the Company was amended in line with the amendments made by the Companies (Amendment) Act, 2019, the Companies (Amendment) Act, 2020 and the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 by amending definitions viz. meaning of CSR, Ongoing Project, etc. and including a statement containing the approach and direction given by the Board of Directors, taking into account the recommendations of its CSR Committee including Guiding principles for Selection, Implementation, Monitoring of activities and formulation of the Annual Action Plan.

Name of the Policy	Brief description	Summary of key changes made to the Policies during the year
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.	<p>The Policy was amended to appoint Mr. Rajeshwar Tripathi, Chief Human Resources Officer as the Business Responsibility Head responsible for implementation and execution of the Business Responsibility Policy(ies) who would report on the status of the implementation of Business Responsibility Policy(ies) from time to time.</p> <p>The Policy was further amended to appoint Dr. Anish Shah, Managing Director and CEO as the Director Responsible with effect from 2nd April, 2021, for implementing the Business Responsibility Policy(ies) of the Company from time to time.</p>
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.	There has been no change to this policy.
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.
Anti-Bribery and Anti-Corruption Policy	While the basic tenets of anti-bribery and anti-corruption policy are enshrined in the Code of Conduct of the Company, this Policy comprehensively captures the Company's approach towards bribery and corruption in detail.	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 nature of loans to subsidiaries: (Net of Provisions)

(Rs. in crores)

Name of the Company	Balances as on 31 st March, 2021	Maximum outstanding during the year
Mahindra Overseas Investment Company (Mauritius) Limited	1,599.22	1,599.22
Mahindra Rural Housing Finance Limited	50.00	200.00
Mahindra Electric Mobility Limited	70.00	70.00
Mahindra Vehicle Manufacturers Limited	470.00	470.00
Mahindra Integrated Business Solutions Private Limited	00.00	0.50
Mahindra & Mahindra Financial Services Limited	00.00	100.00
Ssangyong Motor Company (SYMC) *	109.34	437.12

* Ssangyong Motor Company (SYMC) is considered as a subsidiary as on 31st March, 2021, as per the Companies Act, 2013 whereas, as per Indian Accounting Standards (Ind AS) it is not treated as related party/subsidiary under Ind AS 24/Ind AS 110.

Loans and advances in nature of loans to Associates/Joint Venture:

(Rs. in crores)

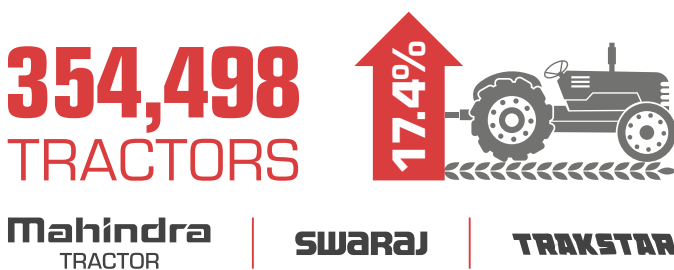
Name of the Company	Balances as on 31 st March, 2021	Maximum outstanding during the year
Mahindra Ideal Lanka Private Limited	2.75	2.99

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.

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 focussing 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 2020-21, your Company sold 348,621 vehicles (a degrowth of 26.0% over the previous year) and 354,498 tractors (under the Mahindra, Swaraj and Trakstar brands, a growth of 17.4% over the previous year).



The Automotive and Farm Sectors, along with their subsidiaries, associate companies, and joint ventures, achieved global sales of 0.73 million vehicles and tractors (355,036 vehicles* and 374,532 tractors), a degrowth of 8.4% over the previous year.

*Excluding SsangYong

INDUSTRY STRUCTURE, OVERVIEW AND TRENDS

I Automotive Industry

In CY2020, worldwide sales of Passenger Cars and Commercial Vehicles dropped to 77.9 million, a degrowth of 14.6% over the CY2019 sales of 91.3 million. Global Passenger car sales were down by 16.7% and commercial vehicle sales reported a degrowth of 9.6%. The COVID-19 pandemic had a swift and severe impact on the Global Auto Industry. The Global Auto Industry reported sales lowest since 2011.

The global electric vehicle segment witnessed the fastest growth of 64% CAGR in the last four years. Annual global EV sales stand at 2 million which is 3.8% of total PV sales, as compared to just 0.4% five years back.



(Source: OICA - Organisation Internationale des Constructeurs d 'Automobiles)

The long-term growth outlook for the Indian auto industry is positive, driven by robust economic growth outlook, increasing income levels, Government focus on road and infrastructure development, current low levels of vehicle penetration, rapid urbanisation and a large, young and aspiring population.

While the long-term outlook for the Indian auto industry is promising, there has been some softening of demand for automobiles in the two-year period between F19 - F21, as compared to the previous ten-year period of F09 - F19. Exports from India too have slowed down in this period.

Segment	CAGR F09-19	CAGR F19-F21
PV (Domestic Sales)	8.1%	-10.4%
CV (Domestic Sales)	10.1%	-24.9%
Domestic Sales (Excl. 2W)	8.3%	-17.1%
PV (Export)	7.3%	-22.7%
CV (Export)	8.9%	-29.0%

The softening of demand in the last three years is a result of tapering of GDP growth and increasing cost of ownership due to addition of multiple safety features and implementation of stricter emission norms during the last few years, which was further aggravated by lockdowns and loss of income due to COVID-19 in F21.

The Indian auto industry is aware of the need for reducing dependence on imported oil, improving safety on the roads and most importantly, the need for clean air.

Over the years, the industry has made significant investments in indigenisation of technologies in the conventional vehicles space e.g. meeting BS-VI in 3 years.

The industry is also investing in next generation technologies like electric vehicles.

The Government has announced the FAME II (Faster Adoption and Manufacturing of Hybrid & Electric Vehicles) policy.

Furthermore, with the objective of maximising local value addition and building competitiveness of the Indian industry, the Government has announced the Phased Manufacturing Plan (PMP). The Indian auto industry is making the necessary investments and is focussed on building capabilities in the EV space.

Automotive Industry in FY 2021

In financial year 2020-21, Indian auto industry sales (excluding two wheelers) dropped to just 3.50 million from the record high of 5.09 million in 2018-2019 and reported degrowth of 15.3% over 2019-20. The degrowth can be witnessed across almost all segments of the industry.

The deep slowdown in automobiles was principally a result of:

- A weak consumer sentiment emanating from the general slowdown in economic growth and constrained Government spending in F21.
- Pandemic induced lock-down impact in H1F21. While the consumer demand started picking up in H2F21, the volume was impacted by shortage of automotive components including global shortage of electronic components.
- Increase in vehicle prices due to implementation of new emission and safety norms combined with sharp increase in commodity prices.



As a result, the industry volume of Passenger Vehicles and Commercial Vehicles have fallen back to the level in F15 and F10 respectively. However, the silver lining was the Utility Vehicles segment, which witnessed a growth of 12.1% during the year.

Over the ten years between F11 and F21, the Utility Vehicle (UV) segment has witnessed good growth of 12.9% CAGR. UV, as share of PV, has increased from 12.6% in F11 to 39.1% in F21.



This growth in UV is driven by increased customer preference for UV styled vehicles and a shift from compact cars to compact UVs (less than 4 m length). In the last two years (F20 - F21), there were 18 new launches in the UV segment, and these accounted for 26% of UV volume in F20. For the year F21, compact UVs accounted for 51% of UV volume.

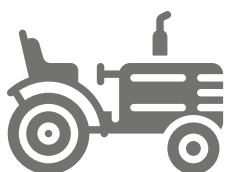


We believe that electric vehicle adoption in India would be led by e-3W; the key drivers being improving operating economies, easy deployment for last/first mile connectivity (including at metro stations) and the growth of start-ups as 3W aggregators. For the year F21, a total of 6,715 e-3W were sold, accounting for 3.1% of the 3W industry.

Industry Segment	Domestic Industry Volume			YoY Growth		
	F19	F20	F21	F19	F20	F21
Passenger Cars	2,218,489	1,695,436	1,541,866	2.0%	-23.6%	-9.1%
Utility Vehicles	941,474	945,959	1,060,750	2.1%	0.5%	12.1%
MPV (Vans)	217,426	132,124	108,841	13.1%	-39.2%	-17.6%
Passenger Vehicles	3,377,389	2,773,519	2,711,457	2.7%	-17.9%	-2.2%
MHCV	390,732	224,428	160,688	14.7%	-42.6%	-28.4%
MHCV Passenger	39,604	40,016	7,322	9.7%	1.0%	-81.7%
MHCV Goods	351,128	184,412	153,366	15.3%	-47.5%	-16.8%
ICV Goods (7.5 to 12T)	76,360	41,175	27,962	33.8%	-46.1%	-32.1%
MCV Goods (12 to 16.2T)	40,691	40,327	37,402	15.7%	-0.9%	-7.3%
HCV Goods >16.2T	234,077	102,910	88,002	10.2%	-56.0%	-14.5%
LCV	616,579	493,165	407,871	19.5%	-20.0%	-17.3%
LCV Passenger	52,170	45,814	12,088	6.5%	-12.2%	-73.6%
LCV Goods < 2T GVW	235,024	179,227	140,109	42.0%	-23.7%	-21.8%
LCV Goods 2-3.5T GVW	280,205	231,764	225,658	9.6%	-17.3%	-2.6%
LCV Goods > 3.5T GVW	49,180	36,360	30,016	6.8%	-26.1%	-17.4%
Total CV	1,007,311	717,593	568,559	17.6%	-28.8%	-20.8%
3W Passenger	572,386	525,532	134,087	10.6%	-8.2%	-74.5%
3W Goods	128,619	111,533	82,110	8.7%	-13.3%	-26.4%
3W	701,005	637,065	216,197	10.3%	-9.1%	-66.1%
Scooters	6,701,430	5,565,684	4,479,848	-0.3%	-16.9%	-19.5%
Motorcycles	13,598,190	11,213,662	10,019,836	7.7%	-17.5%	-10.6%
Mopeds	880,227	636,812	617,247	2.4%	-27.7%	-3.1%
Electric Two Wheelers		274	2,456	-	-	-
2W	21,179,847	17,416,432	15,119,387	4.9%	-17.8%	-13.2%
Quadricycle	627	942	-12	-	50.2%	-101.3%
Total Domestic	26,266,179	21,545,551	18,615,588	5.1%	-18.0%	-13.6%
Total Domestic (Excl. 2W)	5,086,332	4,129,119	3,496,201	6.4%	-18.8%	-15.3%

I Tractor Industry

The long-term growth outlook for the Indian tractor industry remains positive. Over the period F11 to F21, the domestic tractor industry grew at a CAGR of 6.4%. The key growth drivers were increasing affordability, growing demand for farm mechanisation, emergence of newer technologies in the farming sector, increasing government spend in rural sector, and continued focus of government on improving the state of agriculture in India.



F11 to F21
DOMESTIC TRACTOR INDUSTRY
 6.4% CAGR

I Tractor Industry in FY 2021

F21 was an unusual year for the Indian tractor industry - though the pandemic resulted in demand slowdown in many industries, the demand in the tractor industry was growing rapidly and industry players were finding it difficult to fulfil the demand due to supply constraints. In F21, the Indian tractor market (the world's largest by volume), witnessed a growth of 27% over F20 and reached a peak level of 899,407.

F20 to F21
INDIAN TRACTOR MARKET
 27%
 REACHED A PEAK LEVEL OF
899,407



This growth was driven by:

- Abundant rainfall: The rainfall during FY21 was 9% higher than Long Period Average (LPA) rainfall, with good temporal and spatial distribution. It is worth noting that in F21 we have had the 3rd highest cumulative rainfall in 25 years. It was also the first time since 1960 that India had two back-to-back above average monsoons. This also led to increase in reservoir levels. As a result, the country had two years of successive bumper crops, both during Rabi and Kharif season.
- Good price realisation combined with timely procurement of crops, ensured liquidity and willingness of farmers to buy tractors
- Increased Government spending on Agriculture and Rural Development, including increase in MGNREGA outlay, helped to boost the sentiments of farmers
- F21 also witnessed an exodus of migrant labourers in light of the COVID-19 pandemic. Due to this reverse migration, states such as Punjab, which were dependent on migrant labour, saw a surge in demand for farm mechanisation products including tractors, rice transplanters, potato planters and super seeders

Most manufacturers struggled to meet the demand despite close to full utilisation of their existing plant capacities, primarily due to limitations at supplier facilities.

The year in focus witnessed a sharp rise in demand in the >40HP segment largely due to a significant scaling up in Agri activities, while commercial activities came to a near halt, especially in the first half of the year because of the pandemic induced lockdown. Inflated demand from the Agri sector also resulted in increase in specific features such as four-wheel drive and power steering, to name a few.

S. No.	HP	F21 Ind. Share	F20 Ind. Share	F21 Volume Growth Over F20
1	<20	3.2%	3.4%	17.4%
2	20-30	5.8%	6.5%	13.8%
3	30-40	28.0%	33.3%	6.7%
4	40-50	53.5%	48.7%	39.4%
5	>50	9.5%	8.0%	49.3%
	Total	100.0%	100.0%	126.6%

YOUR COMPANY'S PERFORMANCE

I AUTOMOTIVE SECTOR



During the year under review, your Company in India is the



Your Company's share of the total Indian Auto Industry stood at 9.4%.

For the year under review, your Company achieved overall volumes of 330,271 vehicles in the domestic market, a degrowth of 25.7% over the previous year.

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

Industry Segment	Industry		M&M		M&M Market Share	
	F21	Growth	F21	Growth	F21	F20
Utility Vehicles	1,060,750	12.1%	155,530	-13.3%	14.7%	19.0%
Passenger Cars	1,541,866	-9.1%	9	-99.0%	0.0%	0.1%
MPV (Vans)	108,841	-17.6%	1,676	-74.9%	1.5%	5.1%
Passenger Vehicles	2,711,457	-2.2%	157,215	-15.9%	5.8%	6.7%
LCV Goods < 2T GVW	140,109	-21.8%	23,789	-34.8%	17.0%	20.4%
LCV Goods 2-3.5T GVW	225,658	-2.6%	128,100	-15.4%	56.8%	65.3%
LCV Goods < 3.5T	365,767	-11.0%	151,889	-19.1%	41.5%	45.7%
LCV Goods > 3.5T GVW	30,016	-17.4%	1,059	-63.9%	3.5%	8.1%
LCV Goods Total	395,783	-11.5%	152,948	-19.8%	38.6%	42.6%
M+ICV Goods (7.5 to 18.5T)	65,364	-19.8%	684	-10.0%	1.0%	0.9%
HCV Goods > 18T	88,002	-14.5%	2,426	-52.4%	2.8%	5.0%
MHCV Goods	153,366	-16.8%	3,110	-46.9%	2.0%	3.2%
LCV Passenger	12,088	-73.6%	101	-95.9%	0.8%	5.4%
MHCV Passenger	7,322	-81.7%	-	-	-	-
CV Passenger	19,410	-77.4%	101	-95.9%	0.5%	2.9%
CV Total	568,559	-20.8%	156,159	-21.6%	27.5%	27.7%
3W	216,197	-66.1%	16,897	-70.9%	7.8%	9.1%
Quadricycle	(12)	-	-	-	-	-
Total Domestic	3,496,201	-15.3%	330,271	-25.7%	9.4%	10.8%

In the year F21, your Company launched the All-New THAR featuring a modern look on an iconic design. The All-New THAR continues to attract customers with its design, performance, off-road capabilities, everyday comfort, technology, and safety. The vehicle also secured a four-star rating on the safety crash test conducted by the global safety rating agency, Global NCAP.

XUV300 became the first Indian vehicle to score the highest points among all the 5-Star rated cars tested so far by Global NCAP, and the first Indian vehicle to score a 4-Star child safety rating.

#SAFERCARSFORINDIA



The iconic Scorpio, stylish XUV500 and rugged Bolero continue to be strong brands for your Company in the UV segment and remain at the core of your Company's UV portfolio.

Your company has retained #1 position with 41.5% in LCV <3.5T segment, which is the largest segment of CV industry. LCV <3.5T accounts for two-third of the total CV industry.



In the Pik-Up sub-segment (LCV goods 2 to 3.5T), your Company sold 128,100 vehicles, a degrowth of 15.4% over the previous year. Your Company's market share in the Pik-Up segment stands at 56.8%.

Your Company has been the leader in the Pik-Up segment for over 20 years, and it has always been our endeavour to enhance the Customer Value Proposition of its offering.

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]) 5,418 EVs (27 four wheelers and 5,391 three wheelers) as against 14,602 EVs (966 four wheelers and 13,636 three wheelers) in the previous year.



In F21, your Company launched Treo Zor which will provide a clean, sustainable, and affordable solution for last-mile delivery.

Mahindra
Rise.

amazon

Your company is a proud partner of Amazon in deploying the Mahindra Treo Zor EV in their delivery partners' fleet. We believe, this will redefine India's logistics and last-mile delivery needs, and at the same time, help Mahindra and Amazon achieve sustainability goals.

Export from India - Automotive Sector

The Automotive Sector of your Company exported a total of 18,350 vehicles in F21, a degrowth of 31.8% over the previous year. Despite the pandemic, exceptional growth was recorded in South Central America, Australia and New Zealand. The drop in total exports is a result of degrowth in South Asia and South Africa. Your Company continues its efforts to strengthen its on-ground presence, expand its product portfolio, and grow its digital reach in key international markets.

FARM EQUIPMENT SECTOR

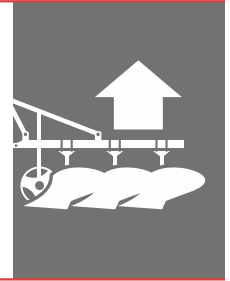


For the period under review, your Company sold a total of 354,498 tractors, (domestic plus export), under the Mahindra, Swaraj and Trakstar brands, against 301,915 tractors sold in the previous year, registering a growth of 17.4%.

Your Company sold 343,833 tractors (including Gromax Agri Equipment Limited) in the domestic market, as compared to 291,901 tractors in the previous year, recording a growth of 17.8%. This year marks the highest ever volume sales achieved by your Company. Given the COVID-19 situation, the Company faced severe constraints when it came to the supply chain and supplier capacity. Hence, the market share is not a good performance indicator for F21. Your Company's F21 market share at 38.2%, continues to position it as the domestic market leader for the 38th consecutive year. Your Company's performance was supported by good performance of all products in the portfolio across all three brands viz. Mahindra, Swaraj and Trakstar.

Farm mechanisation is an important enabler to address the concerns of farm productivity and farm labour shortage. Your Company has active presence in the farm mechanisation space through its Farm Machinery business and offers efficient and affordable mechanisation solutions across the spectrum of farming operations. These include rotary tillers, cultivators, harvesters, balers, and rice transplanters amongst others. Considering the growing demand for farm mechanisation in the horticulture segment, your Company (through its subsidiary M.I.T.R.A Agro Equipments Private Limited) also offers specialised sprayers to cater to the need of horticulture farmers.

For the year under review, your Company recorded highest ever sales of INR 490 crore in the Farm Machinery business, a 46% growth over last year.



This included the highest ever sales numbers in harvesters (both self-propelled and tractor mounted), threshers and rice transplanters.

Export from India - Farm Equipment Sector

For the year under review, your Company exported 10,665 tractors as compared to 10,014 tractors in the previous year, recording a growth of 6.5%.

This growth can be attributed to better retailing in various markets that your Company sells in, including USA, Brazil, and Africa. Exports to Sri Lanka, Nepal and Bangladesh has suffered due to border closure in these markets as a result of COVID-19.

DOMESTIC MARKET LEADER FOR THE **38TH** CONSECUTIVE YEAR



ALLIED BUSINESSES

I Mahindra Powerol

Under the Powerol brand, your Company has been a leader in providing power back-up solutions to the telecom industry for more than a decade. To cater to changing customer needs, your Company continues to consolidate its presence in tele-infra management and in the energy management solutions space.

In the retail genset business, your Company offers a wide range of solutions from the lower kVA range, to mid and to higher kVA range.

Powerol stands as the No. 2 brand by volume in the overall Diesel Genset Power back-up segment.



Your Company also focuses on Gas Powered Gensets and presently offers 25 to 125 kVA. In addition to lowering emissions, these gensets offer a significantly lower operating cost. This segment will be a future growth area. With a focus on green energy solutions, your Company additionally offers Energy Storage Solutions powered with Lithium-ion batteries. These are for application in telecom towers and bank ATMs.

Despite the pandemic, Powerol offered relentless service and support to emergency services like healthcare, telecom, etc.

I Construction Equipment



For the year under review, your Company (under the Mahindra EarthMaster brand) sold 681 Backhoe Loaders (BHLs) against 880 in F20, which is a degrowth of 22.6%.

Your Company also has a presence in the road construction equipment business through motor graders (under the Mahindra RoadMaster brand). For the year under review, your Company sold 82 motor graders.

I Two-Wheeler Business



In line with the strategy for the two-wheeler business, your Company, through its subsidiary Classic Legends Private Limited (CLPL), had reintroduced the iconic brand 'JAWA motorcycles' to the Indian market in F19, with the launch of the new Jawa and Jawa Forty-Two. A new addition to that range - Jawa Perak, was launched in F20 and the sale of the same began in 2020-21.

OPPORTUNITIES AND THREATS

I Automotive Sector

The auto industry is an engine of economic growth. The industry contributes to 6.4% of India's GDP, almost 35% of manufacturing GDP, 15% of GST revenues, and provides 37million direct and indirect jobs.

F21 was a difficult year for the industry and F22 will continue to be so - due to lockdowns and uncertainties arising from the COVID-19 pandemic. The intensity of the second wave of COVID-19 infections in India had come as a surprise, and the total number of cases exceeded the previous peak (September 2020) by over 3 times. The Government will need to work closely with the industry to put the industry back onto a growth path. If the pandemic and lockdowns continue, the industry is likely to face a shortage of supply and softening of demand again.

Over the years, the industry has made significant investments towards the indigenisation of technologies in the conventional vehicles space - meeting BS-VI in 3 years is an example. To reduce dependence on oil imports, the industry is exploring options of alternate fuels like CNG, LNG, Ethanol, etc. The industry is also investing in next generation technologies like Electric Vehicles.

With an objective to improve air quality, 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.

From F22, the Government has decided to implement a Scrapage Policy.

The objective of the scrapage policy

- **reducing old unfit vehicles**
- **achieve a reduction in vehicular air pollutants to fulfil India's climate commitment**
- **improve road and vehicular safety**
- **achieve better fuel efficiency**
- **formalise the currently informal vehicle scrapping industry**
- **boost availability of low-cost raw materials**

The Government has approved the introduction of the Production-Linked Incentive (PLI) Scheme in 10 key sectors for enhancing India's manufacturing capabilities and enhancing exports aimed towards Atmanirbhar Bharat. INR 57,042 crore have been allocated for the automobiles and auto components manufacturing sector.

I Farm Equipment Sector

To drive sustainable growth in the agriculture sector, strong government focus on its development is required, including increased adoption of mechanisation and modern agricultural practices, and rural development at large.

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.

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 COVID-19 Pandemic

F21 was impacted by the COVID-19 pandemic disrupting the global economy and supply chains. In India, F21 began with complete lock-down and zero economic activity in one of the strictest measure taken by the Government to contain the spread of the pandemic.

In F21, the COVID-19 pandemic and lockdown resulted in GDP degrowth after 41 years. H2F21 had seen a revival in economic activity but a record rise in COVID-19 cases temporarily slowed down the economic revival.

On the supply side, there are risks in the short to medium term, as many suppliers are facing challenges due to local lockdowns, in addition to challenges of labour availability, limited working hours, and adherence to COVID-19 safety norms.

In F21, the Company initiated various countermeasures to minimise any short-term impact and mitigate any long-term impact on the Company. This included comprehensively looking at cost structures and optimising them, cash flow management, and sustained investment in new products. Company-wide initiatives to bring down costs and conserve cash yielded some very good results in F21 and are expected to deliver benefits in the future.

Given the unprecedented impact that COVID-19 had on the business, the Company borrowed funds to shore up liquidity as a precautionary measure. This ensured sufficient liquidity to manage the adverse effects of pandemic.

- (i) The cash position of the Company is good, and the liquidity is assured, having enough unused credit lines;
- (ii) The Company continues to enjoy the highest rating from all four major Rating Agencies i.e. CRISIL, ICRA, CARE and India Ratings and Research for both short term (A1+) and long term (AAA/Stable) borrowings and banking facilities;
- (iii) Financial resilience and strong governance which support the AAA rating enables the Company to raise additional liquidity, as and when required, by way of Commercial Papers and other debt securities.

From a long-term perspective, the Company is committed to continuing all its strategic initiatives as planned, including, but not limited to, product and technology development.

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 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 UVs is largely blurred. There is great demand for compact UVs with car-like features.

As of now, 51% of UV sales are from UVs less than 4m in length, while UVs as a share of PVs stand at 39.1% (was 12.6% in F11).

The LCV < 3.5T commercial vehicle segment, which is 66.6% of the CV goods industry, is witnessing increased competition with new and competitive launches from homegrown as well as MNC brands.

With the aim to remain competitive in the market and sustain its leadership position, your Company continues to invest in new product development, technology upgradations, increasing channel reach, while focussing on delivering customer centric products, services and brand building.

I Tax Regulations

India has traditionally seen tax rate differential between small and large passenger vehicles. This differential is based on length of the vehicle, engine size and fuel type. While the flagship products of your Company attract higher tax rates, your Company has strengthened the UV product portfolio attracting lower tax rates with products like XUV300, TUV300 and KUV100.

I New Emission Norms

From 1st April 2020, India has switched over to BS-VI emission norms. With BS-VI implementation, the emission of petrol and diesel vehicles is at par and hence, concerns over cleanliness of diesel emissions should dissipate.

Your Company has successfully met the aggressive time and cost targets set during the development of BS-VI technologies. Your Company has successfully upgraded the product portfolio to BS-VI, and offers BS-VI compliant products at a competitive price. Your Company will continue to work on cost and value engineering for easing the pressure on margins.

After BS-VI implementation in 2020, the Indian auto industry will now be looking at the next tranche of emission norms to follow in quick succession, with CAFE 2 (Corporate Average Fuel Economy) and RDE (Real Driving Emissions) planned for 2022-23. Your company is working on various Powertrain and Vehicle level technologies such as friction reduction and electrification for further CO₂ improvement needed to achieve the emission targets.

I New Regulation for Safety

Concerns over road safety are driving legislation and regulatory reforms. Any new legislation requires technology development and incurs costs, in turn impacting vehicle prices. Your Company is geared up and is confident of meeting any new regulations introduced.

I New Products and Technologies

Your company has a comprehensive programme for development of new products and technologies which will enable it to remain competitive in the market, cater to emerging customer expectations and to meet any legislative requirements.

I 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.

Your Company also started operations of its latest manufacturing hub in Chakan, Pune which will supply EV components.

I Monsoon

A normal monsoon is important for both agriculture as well as the rural economy 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. Going into F22, the two major weather forecasters of India predicted 'Normal Monsoon' between June to September. Spatial monsoon distribution forecast also suggests normal or above normal monsoon in most parts of the country.

I Commodity Prices

A surge in post-pandemic global demand coupled with severe supply side constraints resulted a sharp rise in commodity prices. This impacted the cost of various inputs used by the industry, including castings, forgings, steel sheets and precious metals. While there was a significant impact of the same on material cost, your Company was able to limit the impact through concerted efforts towards cost reduction with various initiatives including VAVE activities. For F22, while your Company will take all steps to mitigate risks from the COVID-19 crisis, the increase in prices of certain commodities is likely to have an adverse impact on material cost in the first half of the financial year. However, the Company does expect prices of commodities to soften in the second half of the year with supply side constraints easing, limiting the impact. Your Company will continue to work on mitigating the inflationary impacts through cost re-engineering and value engineering activities.

I Capacity

Your Company has built adequate manufacturing capacity for the immediate future and is in the process of investing in additional capacity at Chakan Phase II in preparation for the mid to long term. This is expected to be operational in F22.

Your Company is investing over INR 3,000 crore in its Electric Vehicle (EV) programme. On the supplier end, the Company is working closely with its key suppliers to minimise any supply constraints through proactive capacity planning and longer-term contracts. At the same time, opportunities for global sourcing are also being actively pursued.

To prepare for future growth in Industry and keeping in mind the upcoming product and technology needs, the

Swaraj Division is planning to invest in creating additional manufacturing capacity by setting up a new manufacturing plant.

OUTLOOK - AUTOMOTIVE AND 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 focussed cost optimisation, productivity improvements, value engineering, supply chain management, and exploiting synergies between various group businesses.

I Automotive Business

As per the Automotive Mission Plan 2026 (AMP 2026) the mid to long-term outlook for the Indian auto industry is positive.

In F21, the pandemic and lockdown resulted in degrowth of the Indian economy for the first time in 41 years. In H2FY21, the economy saw a sharp revival due to gradual re-opening and pent-up demand for personal vehicles. But since April 2021 we are witnessing a second COVID-19 wave spreading across the country resulting in localised lockdowns. This has resulted in temporary slowdown in the economy; and it is hoped that it will revive from Q2 F22 onwards.

Factors that will significantly impact demand for automobiles in F22 are:

- (i) Policies by the Government to boost consumption
- (ii) Availability and affordability of finance
- (iii) Sentiment in rural economy - driven by Agri incomes
- (iv) Aggressive government push for infrastructure led growth

I Tractor and Farm Equipment Business

The mid to long term outlook for the Indian tractor industry is positive.

On the demand side, the Agri and rural sector would continue to see good sentiment owing to consecutive good harvest seasons supported by good monsoon and healthy reservoir levels. Timely procurement and continued efforts by the Government of India through rural development sanctions and direct benefit transfer schemes has ensured liquidity in the hands of the farmers.

With the recent surge in COVID-19 cases across India, economic activities are getting impacted and several states have put curbs on goods movement and non-essential activities leading to questions on the earlier GDP recovery estimate. Although Tractor and Farm Machinery are classified as essential services, there is an element of uncertainty as the challenges remain in the form of disruptions in the supply chain due to logistics and availability of labour.

On the international front for the tractor business, your Company has seen positive momentum across the world in spite of pandemic related headwinds and consequent disruptions. Your Company's subsidiaries in the USA, Latin America, Turkey and Japan have all shown improved resilience and marked improvement in operating results. Synergies across regions and businesses continue to grow. While the positive momentum is expected to continue, severe disruptions in the domestic market will impact the ability to serve the export demands.

STRATEGY

I Automotive Sector

With an objective to sustain growth, your Company is pursuing several strategic initiatives in all key areas of business. Your Company is going to stay and expand its core of Authentic SUVs. Your Company plans to produce a slew of differentiated, yet mainstream SUVs in the coming years and price them right. Going forward, your Company wants to be known for being "authentic" through unmissable presence, adventure capability, and sustainable, innovative technologies that inspire the spirit of exploration.

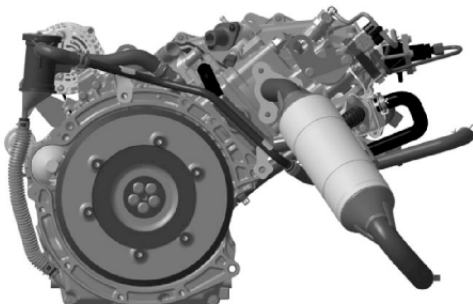
Your Company continues to invest in technology development and patent acquisitions.

For the year under review, your Company filed a total of 138 patent applications. Cumulatively, your Company has filed 1,593 patent applications so far. The Company's total patent granted portfolio stands at 202 currently across multiple geographies.



The efforts taken by your Company towards technology development and absorption help deliver competitive advantage through the launch of customer centric products and variants, introduction of new features, and improvement of product performance:

- Timely readiness of product portfolio for migration to BS-VI emission norms for both diesel and gasoline engines
- Launch of the All-New THAR with 2.2L diesel engine and 2.0L turbo GDI engine
- XUV300 received the highest 5-star safety rating from Global NCAP and Global NCAP's 'Safer Choice' award for being the safest car in India
- Design and development of the world's first single cylinder diesel engine to meet BS-VI emission regulations in a 4-wheeler (mDura engine for Jeeto)



Bolero is a key brand for your Company's portfolio, and it continues to be one of India's top 10 selling SUVs. Your Company is also planning to launch XUV700 - an all-new, authentic, global SUV that will redefine benchmarks in the SUV segment.

With the Government's thrust on rapid adoption of electric vehicles (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. Your Company has reorganised its EV strategy and has deployed a three-box framework for business. Last mile mobility will be part of box one, the SUV focussed IC derived electric vehicles will be part of box 2, and box 3 is preparing for a longer future in electric vehicles, again in the SUV space. Today, your Company offers a wide range of EVs, which includes the eVerito car, Supro EV cargo/passenger vans and two models of e3W - the e-Alfa and the TREO. The latest addition to the TREO range of products, TREO Zor, was launched during the year. It has been widely accepted by customers across the country.



Your Company also started operations of its latest manufacturing hub in Chakan, Pune which will manufacture critical EV components for our vehicles.



Your Company is getting ready to launch two new products in the upcoming year; ATOM - designed to appeal to the emerging new India and transform the face of last mile connectivity, and eKUV100 - India's most affordable compact electric SUV.



The Company also continues its investments in the development of new high voltage electric vehicles and platforms to maintain its stronghold and stay ahead of the curve in the global EV landscape.

Parallely, 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 establish and grow the EV ecosystem in India.

I Farm Equipment Sector

It is your Company's constant endeavour to make a difference in the lives of farmers. Your Company continues to invest in modern tractor technologies to offer tractors with category first features, thus creating new benchmarks in India. In addition to the domestic market, the Sector is focussed on developing products for global subsidiaries and export destinations, playing its part to strengthen India's position as a global farm equipment export hub.



Recognising the potential for strong growth of the farm machinery space in the country, over the last several years your Company has made end-to-end farm mechanisation an important focus area, covering a wide range of solutions including both tractor-driven and self-propelled farm machinery categories. This is being pursued both through in-house development as well as by leveraging partnerships and alliances.

Your Company continues to leverage its Farm Machinery Centres of Excellence (CoEs) for development of modern technologies, both in India and around the world, with the dual objective of strengthening its farm machinery portfolio for global and export markets as well as bringing in modern farm mechanisation technologies from advanced markets into India. Mahindra Mitsubishi Agriculture Machinery (MMAM) in Japan, is the Centre of Excellence for the rice value chain. Sampo Rosenlew in Finland is helping address the global combine harvester business.

Your Company's Farming as a Service business (branded Krish-e) is an innovative new business vertical conceived with the idea of ushering in a new digital age of farming in India. Carrying the tag line - 'Expert Takneek. Naye Upay. Parinaam Dikhaye' - Krish-e aims to increase farmer income through digitally enabled services, across the complete crop cycle - services that are progressive, affordable and accessible to farmers.

The services of Krish-e include:

- Agronomy Advisory
- Access to advanced farm equipment rentals and new-age precision farming solutions

These services are focussed on bringing down overall costs and improving crop output, thereby the farmer's income.

Krish-e

EXPERT TAKNEEK. NAYE UPAY. PARINAAM DIKHAYE.

To make this possible, Krish-e leverages the best of technology in the form of Internet of Things (IoT) and Artificial Intelligence (AI). Through Krish-e, your Company is engaging with farmers more deeply, creating stronger relationships, ultimately creating a moat for the business.



MATERIAL DEVELOPMENTS IN HUMAN RESOURCES AND EMPLOYEE RELATIONS

Talent Management, Leadership Development and Performance Management Systems

In a diverse group like the Mahindra Group, Talent Management is crucial and critical, both from a business point of view and from a talent perspective. Being an engineering company, technical talent is also equally important and the talent management of building a pipeline of technical leaders is as important as that of building a pipeline of business leaders.

In our quest to build a healthy pipeline of technical talent in Product Development and the related associated areas, the Company set up the Mahindra Research Valley ("MRV"), which serves as a crucible for innovation and technology for the Auto and Farm Divisions of the Company.



The aforesaid initiative has helped to create global sustained competitiveness and the Tech Ladder that was conceptualised in MRV is a unique way of differentiating technical talent from general management in terms of performance management, talent management and capability building. It puts a high focus on developing deep technical expertise in various systems of product development.

The Tech Ladder implementation in Mahindra has been a response to one of the biggest challenges that the Company has been facing in Talent Management.

The first step of technical ladder was achieved by creating unique competencies, which combined technical skills, leadership behaviours and cultural nuances. These were deployed in performance management discussions and capability building initiatives. Specific developmental goals were incorporated in an individual's KRA to facilitate capability building of niche technical skills through right exposure, and action learning projects.

As a result, today the Tech Ladder framework is successfully catering to more than 2,000 engineers, covering multiple Centres of Expertise (CoE) and Project Functions across the Automotive and Farm Divisions.

I Group Management Cadre

The next step of our strategic management process is the Group Management Cadre programme to attract leadership talent at the entry level from top B-Schools of the country. This programme continues to strengthen Mahindra's position as an 'Employer of Choice' across premier B-School campuses and creates a strong talent pool to drive Mahindra's future growth. Through this programme, 15 GMCs joined the Group in 2020 across its various Sectors and functions. As part of the newly introduced Experiential Module, each GMC that joins us undergoes 4 stints of 3 months each across different functions and different businesses.

I Apex Talent Councils and Sector Talent Councils

The heart of the talent management process is the curation of deep-rooted conversations on talent across the group, both at a business level and at a group level, to create development journeys and planned learning interventions so as to not only provide the organisation with deep understanding of talent but also what is required to attract, retain and develop top talent across the group.

I The Mahindra Leadership University

The Mahindra Leadership University ("MLU") is a strategic learning initiative to support the Group in its journey of

being one amongst the Top 50 Most Admired Global Brands by 2021 by positioning Mahindra Group as a Learning Organisation. 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. The word 'University' is inclusive in nature and encompasses all learning under one umbrella brand, powered by the unified LMS, MLU's Digital Learning World.



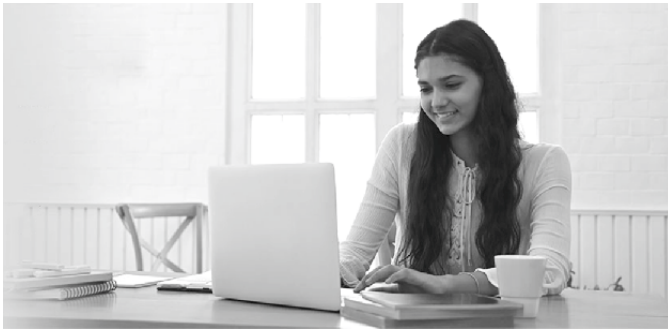
MLU converges upon building both leadership and domain capabilities through its various academies, with each academy being headed by a Chairperson and supported by business leaders and functional leaders from across the Group as academy members. All learning content within Mahindra is hosted under respective academies.

MLU academies collaboratively work with Sectors in the Group to create and implement a futuristic learning agenda, which includes digital learning solutions such as MOOCs, eLearning, webinars, etc., as well as physical face to face, instructor-led interactive workshops, as appropriate. All academies consult business leaders in the Group to identify and prioritise group-wide capability development needs, and aggregate, curate and create knowledge, to bring about desired shifts in mindsets and to develop the desired capabilities.

MLU Academies thus work towards fostering a culture of continuous learning, unlearning and relearning.

MLU's academies use a ladder approach for programme design and content development. This ladder approach to leadership development recognises and addresses the need for varying inputs tailored to the different levels of leadership.

HARVARD
ManageMentor® / **Spark.**



F22 onwards, MLU has signed-up for Harvard ManageMentor® Spark™, a micro-byte content library of more than 20,000 content items that are updated on a daily basis. The library provides a highly personalised experience, fuelled by the latest and best content across domains -

LEADERSHIP | MANAGEMENT | BEHAVIOURAL |
CUSTOMER EXPERIENCE | TECHNOLOGY |
FINANCE | MANUFACTURING

Designed by experts in learning design and content curation, Harvard ManageMentor® Spark™ enables learners to advance their personal development - when and how it works best for them.

The key advantages of HMM Spark are -

- Personalises learning to the employee
- Develops talent with relevant, recommended learning resources
- Engages learners with curated, updated content on a wide range of topics
- Leverages proven approaches to leadership development
- Integrates learning into busy work schedules
- Creates a community of social learning
- Targets common, challenging skills with Skill Builders and pathways
- Keeps career development top of mind with goals and reminders

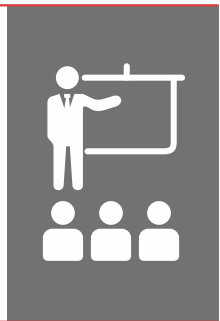
This content will be available to all employees across Mahindra Group.

Harvard ManageMentor® Spark™ is supported by different sources like Harvard ManageMentor, Harvard Business Review, and Podcasts/Tips from Harvard Professors.

I Reflective Conversations

The journey of Reflective Conversations ("RC") continues with the aim to make Mahindra a Reflective Organisation, thereby enabling the Company to grow towards the Group's aspiration.

The RC has been cascaded across the Group and till date more than 2,600 employees across multiple businesses and locations have been covered through instructor-led workshops.



Going forward, in view of social distancing and to adhere to health guidelines that are issued by authorities from time to time, the Company shall develop virtual digital solutions and modularised approaches to strengthen the skills of reflective conversation amongst the employees.

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, half-day refresher sessions on key RC skills, role-modelling by leaders, and a coaching certification programme titled 'Mahindra Certified Reflective Conversationalist' ("MCRC"). The MCRC programme has been certified by the International Coach Federation ("ICF"). High potential executives have benefitted from executive coaching extended to them by MCRC participants.

I Group Diversity Council ("GDC")

The Group continues its strong focus on fostering Diversity and Inclusion ("D&I") at the workplace with the D&I Vision of -

We shall value and celebrate the uniqueness of every individual by fostering an environment of inclusion and empowerment. This will enable us to meet the needs of

our stakeholders through active participation of diverse talented individuals, committed to enable people and communities to Rise.

Keeping simplicity, speed, and result orientation in mind, the GDC has been streamlined with purpose driven team members. The intent was to create compact teams thereby:

- ✓ ENABLING RICHER CONVERSATION
- ✓ EFFECTIVE COLLABORATIONS
- ✓ BETTER RESULTS ORIENTATION

A new metrics driven D&I scorecard with strong focus on gender and providing flexibility to group companies on other aspects of D&I has been designed, which will also be the same scorecard for The Mahindra Way (TMW) assessment. A real time dashboard has been created on the same set of metrics showing all Group Companies numbers at one place.



The Group is gearing up for the 2nd phase of The Valuable 500 movement - Iconic 10. We are one of the 10 companies of The Valuable 500, who will be partnering with them in the Valuable Talent Project - an AI based job portal made by People with Disabilities for People with Disabilities.

I POSH

Gearing up for the new ways of working, we re-launched Speak Up campaign with focus on virtual workings and reiterating Mahindra's commitment for providing safe workplace to all its employees in new normal as well.

I Rise@Work

Rise@Work portal is a gateway for Mahindra employees to share and experience the Rise philosophy as catalyst of change. It was started as a portal to share Rise stories and has now transformed into a one stop solution for all employee digital needs.

I Transformational Work Culture

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 programmes put in place include:

- RISE FOR ASSOCIATES
- CULTURAL DIAGNOSTICS PROJECTS
- TRANSFORMATIONAL WORK CULTURE PROJECTS
- INDUSTRIAL RELATIONS SKILLS FOR FRONTLINE OFFICERS
- E-PORTAL FOR REWARD AND RECOGNITION OF ASSOCIATES
- CODE OF CONDUCT FOR ASSOCIATES
- E-COMPLIANCE

The newly constituted Employee Relations Council will take forward the work of Transformational Work Culture Committee (TWCC) and lead the design and implementation of these programmes and review its progress.

In an endeavour to improve quality, reduce cost, ensure safety and improve productivity, our Company's shop floor associates generated an average of 11.5 ideas per person. Mindset transformation training for cell members and union leaders titled "Nayi Soch - Naya Dristikon", and various skill building programmes were aligned with digitisation at workplace.

To develop skills and foster togetherness at the workplace, multiple training and engagement programmes were rolled out covering a wide range of topics.

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.

The Company's focus continues towards propagating proactive and employee centric practices. Bonus settlements were amicably agreed upon at all locations. The sustained efforts towards building a transformational work culture resulted in zero production loss in the last financial year and helped create a

COLLABORATIVE | HEALTHY | PRODUCTIVE WORK ENVIRONMENT



Open Door Policy

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, are the cornerstones of the Company's employee relations approach. An 'open door policy' with constant dialogue to create win-win situations, have helped build trust and harmony.

Mahindra Skill Excellence

With an objective of developing skills and fostering togetherness at the workplace, the organisation implements multiple training and engagement programmes on an ongoing basis.

These include various behavioural and functional programmes such as team effectiveness, individual effectiveness, safety and environment, quality tools, TPM, skill building programmes, union leadership development.



The Mahindra Skill Excellence initiative with a holistic approach to enhance the skill and capabilities of shop floor associates is receiving good participation across manufacturing facilities.



As a result of this effort, till the previous year associates from the Company had participated at various international skill competitions which included China Arc Cup 2020, WorldSkills 2019 and Beijing Arc Cup.

- One of our associates won the 1st prize in 135 GMAW process (welding) in the China Arc Cup 2020
- Our associate won the 'Medallion of Excellence' at WorldSkills 2019
- At the Beijing Arc Cup, one of our associates won the bronze medal in Finished Product category and a female associate from the Company was awarded as 'Excellent Female Welder'



However, since Pandemic has grappled entire globe and countries are struggling to fight back COVID-19 effect, in F21 all international competitions were put on hold.

A Healthy Work Environment

Significant emphasis was laid on improving health and wellness of employees through annual medical check-ups, screening camps, health promotional activities and awareness. Balanced nutritious food has become a way of life at Mahindra over the past four years.

The Company maintains an 'Employee Health Index' at an individual level and this has been a useful tool in identifying employees who require focussed counselling and monitoring. The 'Wellness App' is available to employees for quick access to critical health related information.



During the unprecedented COVID-19 pandemic, the organisation has reacted promptly to the health concerns of employees. Our employees' health has always been the Company's priority. There has also been a slew of CSR activities to benefit the community at large.

Health and Wellness remains the cornerstone of the Company's philosophy to build a strategically proactive workforce. 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

This year, significant emphasis was laid towards raising awareness on health and wellness of employees and their family members on protection from COVID-19 under the brand's virtual programme "24/7 Swasth Raho, Mast Raho", in addition to regular annual medical check-ups and health awareness activities.

The Company had a total of 19,941 permanent employees on its rolls as on 31st March, 2021.

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 the Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organisations 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
- 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 focussed attention from IT specialists and Statutory Auditors.

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

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]

Property, Plant and Equipment and Intangible Assets

As at 31st March, 2021, the Property, Plant and Equipment and Intangible Assets stood at Rs. 15,012 crores as compared to Rs. 14,404 crores as at 31st March, 2020. During the year, the Company incurred capital expenditure of Rs. 2,839 crores (previous year Rs. 3,992 crores). The major items of capital expenditure were on new product development and capacity enhancement.

Borrowings

(Rs. in crores)

Borrowings	F21	F20	Inc./ (Dec.)
Long-term borrowings	7,070	2,032	5,038
Short-term borrowings	25	900	(875)
Current maturities of long-term borrowings	572	136	436
Unclaimed matured deposits	0.1	0.1	0.0
Total	7,667	3,068	4,599

Borrowings (including current maturities of long-term debt and unclaimed matured deposits) have increased from Rs. 3,068 crores in the previous year to Rs. 7,667 crores in the current year, mainly due to new borrowings in current year.

Inventories

	2021	2020
Raw materials and bought out components as a % of cost of materials consumed	5.7%	4.9%
Finished goods and stock-in-trade as a % of sales of products	4.9%	4.4%

The increase in raw materials and bought out components as a percentage of cost of materials consumed, and increase in finished goods and stock-in-trade as a percentage of sales of products, have been mainly on account of new product launches and inventory built-up on expected better upcoming seasons.

I Trade Receivable

Trade Receivable is Rs. 2,343 crores as at 31st March, 2021, as compared to Rs. 2,999 crores as at 31st March, 2020. Also, as a percentage of revenue from sales of products and services, trade receivable is lower at 5.3% as at 31st March,

2021, as compared to 6.7% for the previous year mainly on account of significant improvements in credit management process across divisions supplemented by better collection efforts.

RESULTS OF OPERATIONS

I Income

(Rs. in crores)

Particulars	2021		2020		Inc./(Dec.)
	Amount	%	Amount	%	%
Sales of products	43,303	96.1	43,922	96.6	(1.4)
Sale of services	994	2.2	976	2.1	1.8
Other operating revenue	744	1.7	590	1.3	26.1
Revenue from operations	45,041	100.0	45,488	100.0	(1.0)
Other income	1,221	2.7	1,668	3.7	(26.8)

I Revenue from Operations and Other Income

Revenue from operations of the Company marginally decreased by 1.0% as compared to the previous year.

Other income during the year ended 31st March, 2021 at Rs. 1,221 crores is lower than Rs. 1,668 crores earned in the previous year mainly on account of lower dividend income during 2020-21 as compared to 2019-20.

(Rs. in crores)

Particulars	2021		2020		Inc./(Dec.)
	Amount	% to Revenue from Operations	Amount	% to Revenue from Operations	%
Material costs	31,613	70.2	31,633	69.5	(0.1)
Employee benefits expense	2,859	6.3	2,880	6.3	(0.7)
Finance costs	371	0.8	113	0.2	228.3
Depreciation, amortisation and impairment expense	2,233	5.0	2,223	4.9	0.5
Other expenses	4,063	9.0	5,177	11.4	(21.5)
Total expenses	41,139	91.3	42,026	92.3	(2.1)

I Expenditure

The total expenditure during the year as a percentage of revenue is 91.3% as compared to 92.3% in the previous year. The reduction is a reflection of the cost management initiatives undertaken by the Company.

I Material Cost

The material cost as a percentage of revenue has increased from 69.5% in the previous year to 70.2% in the current year mainly on account of commodity price inflation and BS-VI impact.

Employee Benefits Expense

The employee benefits expense or personnel cost as a percentage of revenue is at similar levels as previous year.

Other Expenses

Other expenses as a percentage of revenue has decreased from 11.4% in the previous year to 9.0% in the current year mainly on account of stricter cost control measures adopted by the Company.

Depreciation, Amortisation and Impairment Expense

Depreciation, amortisation and impairment expenses as a percentage of revenue shows an increase over the previous year. This is mainly on account of higher depreciation and amortisation charge related to new products launched during Financial Year 2021.

Finance Costs

The interest expense as a percentage of revenue has increased from 0.2% in the previous year to 0.8% in the current year mainly due to new borrowings in current year.

Exceptional Items

Exceptional items in the current and previous year comprise of profit earned on sale of certain long term investments partly offset by impairment of certain investments and other exposures in subsidiaries, associates and joint ventures considering the performance of these companies and their future projections.

Tax Expense

The provision for current tax and deferred tax for the year ended 31st March, 2021, as a percentage to profit before tax (after exceptional items) is lower than the previous year mainly on account of net impact of Rs. 599 crores having been recognised in profit or loss on account of expensing of MAT credit balance offset by tax credit on

account of restatement of net deferred tax liabilities as the Company opted for new lower tax regime in the year ended 31st March, 2020.

The key financial ratios of the Company are given as below:

Particulars	M&M	
	2021	2020
Debtors Turnover (times)	26.96	14.86
Inventory Turnover (times)	13.05	10.79
Interest Coverage Ratio (times)	9.07	25.07
Current Ratio (times)	1.34	1.38
Debt Equity Ratio (times)	0.22	0.09
Operating Profit Margin (%)	14.4%	12.7%
Net Profit Margin (%)	0.6%	2.9%
Return on Net Worth (%)	0.8%	3.7%

Explanations for variation of 25% or more in Key Financial Ratios:

Debtors Turnover: The debtors turnover ratio improved to 26.96 in FY 2020-21 as against 14.86 in the previous year primarily due to better collection efforts and significant improvements in the credit management process across divisions.

Interest Coverage Ratio: The interest coverage ratio declined to 9.07 in FY 2020-21 as against 25.07 in the previous year primarily due to increase in finance cost resulting from additional borrowings during the year.

Debt Equity Ratio: Debt Equity ratio increased to 0.22 in FY 2020-21 as against 0.09 in the previous year due to additional borrowings taken during the year.

Net Profit margin: The net profit margin (after exceptional items) fell to 0.6% in FY 2020-21 as against 2.9% in the previous year primarily due to impairment losses on investments and other exposures, lower gain on sale of long term investment and partly offset by lower tax expenses for the year.

Return on Net Worth: The Return on Average Net Worth has dropped from 3.7% in the previous year to 0.8% in the current year mainly on account of modest profit growth amidst challenging business environment encountered during the year and higher impairment losses on investments and other exposures.

CONSOLIDATED FINANCIAL POSITION OF THE M&M GROUP

As on 31st March, 2021, for the purpose of consolidation as per Indian Accounting Standards (Ind AS), the Group comprised of the flagship holding company

MAHINDRA & MAHINDRA LIMITED

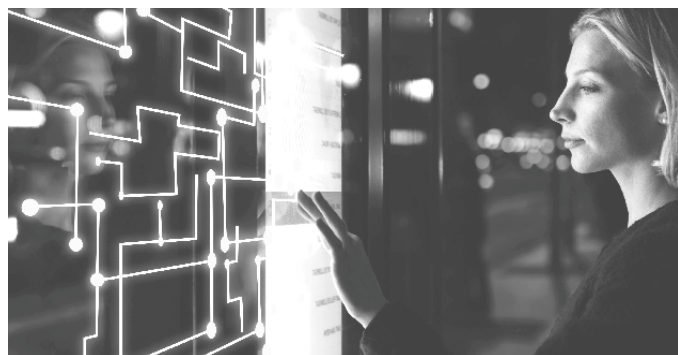
167	31	28
SUBSIDIARIES	JOINT VENTURES	ASSOCIATES

The Group's Revenue and Other income from continuing operations is Rs. 75,311 crores in the current year as compared to Rs. 76,411 crores in the previous year. The Consolidated Profit before exceptional items and tax for the current year from continuing operations is Rs. 5,229 crores as compared to Rs. 4,832 crores in the previous year. The Consolidated Profit for the year after exceptional items and tax and after deducting non-controlling interest from continuing operations is Rs. 3,347 crores as compared to Rs. 2,392 crores in the previous year.



The Consolidated Profit for the year after exceptional items and tax, and after deducting non-controlling interest from continuing and discontinued operations is Rs. 1,812 crores as compared to Rs. 127 crores in the previous year.

Tech Mahindra Limited, Flagship Company in the IT Sector, has reported a consolidated operating revenue of Rs. 37,855 crores in the current year as compared to Rs. 36,868 crores in the previous year, an increase of 3%. Its consolidated profit after tax after non-controlling interests is Rs. 4,428 crores as compared to Rs. 4,033 crores in the previous year, an increase of 10%.



The Group's finance company, Mahindra & Mahindra Financial Services Limited (Mahindra Finance), reported a consolidated operating income of Rs. 12,050 crores during the current year as compared to Rs. 11,883 crores in the previous year, a growth of 1%. The consolidated profit after tax after non-controlling interests for the year is Rs. 773 crores as compared to Rs. 1,075 crores in the previous year. Mahindra Finance customer base has crossed 7.31 million customers since inception and currently has a network of over 1,388 offices and Total Assets under Management of Rs. 90,775.83 crores as on 31st March, 2021 as against Rs. 85,456.00 crores as on 31st March, 2020, a growth of 6.2%.



Mahindra Lifespace Developers Limited, the subsidiary in the business of real estate and infrastructure, registered a consolidated operating income of Rs. 166 crores as compared to Rs. 611 crores in the previous year. The consolidated loss after tax after non-controlling interest for the year is Rs. 72 crores as compared to loss of Rs. 193 crores in the previous year.



Mahindra Logistics Limited, a listed subsidiary in the logistics business has registered a consolidated operating income of Rs. 3,264 crores as compared to Rs. 3,471 crores in the previous year. The consolidated profit after tax after non-controlling interests for the year is Rs. 30 crores as compared to Rs. 55 crores in the previous year.



Mahindra Holidays & Resorts India Limited, the subsidiary in the business of timeshare, registered a consolidated operating income of Rs. 1,730 crores as compared to Rs. 2,372 crores in the previous year. The consolidated loss after tax after non-controlling interests for the year is Rs. 13 crores as compared to loss of Rs. 132 crores in the previous year.



Ssangyong Motor Company, the Korean subsidiary of the Company (under the Companies Act, 2013), treated as discontinued operation for the purpose of consolidation, has reported consolidated operating revenues of Rs. 18,763 crores in the current fiscal year* as compared to Rs. 21,707 crores in the previous year. The consolidated loss after tax after non-controlling interests for the year is Rs. 3,208 crores as compared to a consolidated loss of Rs. 2,045 crores in the previous year.



*Fiscal year January 2020 to December 2020

Segment Results from Continuing Operations (before Exceptional Item)

The results achieved by major business segments of the Group are given below:

(Rs. in crores)

	Segments	FY2021	FY2020
1.	Automotive	736	1,310
2.	Farm Equipment	4,158	2,277
3.	Financial Services	538	1,450
4.	Hospitality	(26)	128
5.	Real Estate	(99)	(50)
6.	Others	278	44
7.	Eliminations	5	2
	Total	5,590	5,161

Disclaimer

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations.

Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries in which the Company conducts business and other incidental factors.



**CORPORATE
GOVERNANCE**

Corporate Governance

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were in place even before they were mandated under the law. Our actions are governed by our values and principles, which are reinforced at all levels within the Company.

Since inception, the Company stood for many things that money can't buy, the most essential being reputation - a product of decades of ethical practices and good governance. Over the years, your Company has institutionalised some of the best practices of corporate working and behaviour in its processes and addressed the governance issues transparently and effectively. Although your Company had to constantly evolve to survive in a competitive economy, there are values - intrinsic to its corporate culture - that it has preserved and will carry forward with it into the future.

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, as amended from time to time ("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, Dr. Pawan Goenka, Managing Director & Chief Executive Officer, Dr. Anish Shah, Deputy Managing Director and Group Chief Financial Officer and Mr. Rajesh Jejurikar, Executive Director (Automotive and Farm Sectors), were the Whole-time Directors of your Company as on 31st March, 2021. The remaining Non-Executive Directors, comprising of Seven Independent Directors (including Three Woman

Directors) and two Non-Independent Directors as on 31st March, 2021 on the Board are highly experienced, competent and vastly renowned persons from diverse fields including manufacturing, finance, economics, law, governance, etc.

During the year under review, Mr. M. M. Murugappan and Mr. Nadir B. Godrej ceased to hold office as Independent Directors of the Company from 8th August, 2020, upon completion of their tenure as approved by the Shareholders at the 72nd Annual General Meeting ('AGM') of the Company held on 7th August, 2018.

Further, the Board based on the recommendation of the Governance, Nomination and Remuneration Committee ('GNRC') and subject to approval of the Shareholders of the Company, appointed Ms. Nisaba Godrej (DIN: 00591503) and Mr. Muthiah Murugappan (DIN: 07858587), as Additional Directors (Independent and Non-Executive) on the Board of Directors of the Company, with effect from 8th August, 2020, to hold office of Independent Directors for a term of 5 (five) consecutive years commencing from 8th August, 2020 to 7th August, 2025 (both days inclusive).

Dr. Pawan Goenka (DIN: 00254502) ceased as the Managing Director and Chief Executive Officer of the Company consequent to his term coming to an end on the close of 1st April, 2021 and Dr. Anish Shah (DIN: 02719429), who was Deputy Managing Director and Group Chief Financial Officer has taken over as the Managing Director and Chief Executive Officer of the Company with effect from 2nd April, 2021.

In addition to the above, the Board based on the recommendation of the GNRC and subject to the approval of the Shareholders of the Company, considered and approved the appointment of Mr. T. N. Manoharan (DIN: 01186248), as Independent Director of the Company for another term of 5 (five) consecutive years from 11th November, 2021 to 10th November, 2026 (both days inclusive).

The Board based on the recommendation of the GNRC considered and approved transition of Mr. Anand G. Mahindra to the role of Non-Executive Chairman of the Company with effect from 12th November, 2021 and subject to approval of the Shareholders of

the Company, also approved remuneration payable to Mr. Mahindra upon his transition to Non-Executive Director designated as Non-Executive Chairman of the Company with effect from 12th November, 2021. Mr. Mahindra's current term as Executive Chairman of the Company is upto 11th November, 2021.

As on the date of this Report, the Board of your Company consists of Mr. Anand G. Mahindra, Executive Chairman, Dr. Anish Shah, Managing Director and Chief Executive Officer and Mr. Rajesh Jejurikar, Executive Director (Automotive and Farm Sectors) who are the Whole-time Directors of your Company. The remaining Non-Executive Directors, comprise of seven Independent Directors (including three Woman Directors) and two Non-Independent Directors.

The Directors take active part in the deliberations at the Board and Committee Meetings by providing valuable guidance and expert advice to the Management on various aspects of business, policy direction, governance, compliance, etc. and play a 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.

A. Composition of the Board

The Board of your Company comprises of Thirteen Directors as on 31st March, 2021 and Twelve Directors as on date of this Report.

None of the Director is a Director (including any alternate directorships) in more than 10 public limited companies (as specified in section 165 of the Act) and Director in more than 7 equity listed entities or acts as an Independent Director in more than 7 equity listed entities or 3 equity listed entities in case he/she serves as a Whole-time Director/ Managing Director in any listed entity (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 Listed Entities where he/she is a Director alongwith the category of their Directorships and other details are given hereafter.

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.

Mr. CP Gurnani, being a Whole-time Director of Tech Mahindra Limited, has waived his right to receive sitting fees for attending the Meetings of the Board of Directors or any Committee thereof on which he may be appointed from time to time or any other remuneration payable to the Non-Executive Directors of the Company, effective from 1st April, 2020 being the date of his appointment as a Director on the Board of Directors of the Company, during his tenure as a Non-Executive Director of the Company.

Professional fees for the year under review to Khaitan & Co., Advocates & Solicitors, in which Mr. Haigreve Khaitan, Non-Executive and Independent Director is a partner, amounted to Rs.146.12 lakhs (including out of pocket expenses).

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.

Board of Directors as on 31st March, 2021



Mr. Anand G. Mahindra

(DIN – 00004695)

Promoter- Executive Chairman

Nationality	Indian
Age	65
Date of Appointment	23 rd November, 1989
Tenure on Board	31 years and 4 months
Term Ending Date	11 th November, 2021 (as Executive Chairman)
Shareholding	14,30,008 Shares (0.1150%)
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Promoter - Executive Chairman
Tech Mahindra Limited	Chairman (Non-Executive, Non-Independent)
Other Directorships*	2
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: 1



Dr. Pawan Goenka

(DIN – 00254502)

Managing Director and Chief Executive Officer
(ceased as MD, CEO and Director w.e.f. 2nd April, 2021)

Nationality	Indian
Age	66
Date of Appointment	23 rd September, 2013
Tenure on Board	7 years and 6 months
Term Ended On	Close of 1 st April, 2021
Shareholding	79,188 Shares (0.0064%)
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Managing Director and Chief Executive Officer
Other Directorships*	3
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: 1



* Excludes Private Limited Companies, Foreign Companies and Companies Registered under section 8 of the Act and includes Additional Directorship.

** Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

Note:

- The profile of the Directors is available on the website of the Company at: <https://www.mahindra.com/investors/board-of-directors>.



Dr. Anish Shah

(DIN: 02719429)

Deputy Managing Director and Group Chief Financial Officer (upto 1st April, 2021).

Managing Director and Chief Executive Officer w.e.f. 2nd April, 2021

Nationality	USA (OCI Card Holder, Resident of India)
Age	51
Date of Appointment	1 st April, 2020
Tenure on Board	1 year
Term Ending Date	31 st March, 2025
Shareholding	1,23,518 Shares (0.0099%)
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Deputy Managing Director and Group Chief Financial Officer (upto 1 st April, 2021) Managing Director and Chief Executive Officer w.e.f. 2 nd April, 2021
Tech Mahindra Limited	Non-Executive Non-Independent Director
Mahindra & Mahindra Financial Services Limited	Non-Executive Non-Independent Director
Mahindra Lifespace Developers Limited	Non-Executive Non-Independent Director
Mahindra Holidays & Resorts India Limited	Non-Executive Non-Independent Director
Other Directorships*	Nil
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: 1



Mr. Rajesh Jejurikar

(DIN: 00046823)

Executive Director (Automotive and Farm Sectors)

Nationality	Indian
Age	56
Date of Appointment	1 st April, 2020
Tenure on Board	1 year
Term Ending Date	31 st March, 2025
Shareholding	1,16,743 Shares (0.0094%)
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Executive Director (Automotive and Farm Sectors)
Swaraj Engines Limited	Non-Executive Non-Independent Director
Other Directorships*	3
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: 1 Member: 1



* Excludes Private Limited Companies, Foreign Companies and Companies Registered under section 8 of the Act and includes Additional Directorship.

** Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

Note:

- The profile of the Directors is available on the website of the Company at: <https://www.mahindra.com/investors/board-of-directors>.



Mr. Vikram Singh Mehta

(DIN – 00041197)
Lead Independent Director

Nationality	Indian
Age	68
Date of Appointment	30 th May, 2012
Tenure on Board	8 years and 10 months
Term Ending Date	7 th August, 2024 (end of 2 nd Term)
Shareholding	20,000 Shares (0.0016%)
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Lead Independent Director
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
Other Directorships*	1
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: 1 Member: 5



Dr. Vishakha N. Desai

(DIN – 05292671)
Independent Director

Nationality	USA (Nationality of Origin-Indian)
Age	71
Date of Appointment	30 th May, 2012
Tenure on Board	8 years and 10 months
Term Ending Date	30 th April, 2024 (end of 2 nd Term)
Shareholding	7,500 Shares (0.0006%)
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Independent Director
Other Directorships*	Nil
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: 1



* Excludes Private Limited Companies, Foreign Companies and Companies Registered under section 8 of the Act and includes Additional Directorship.

** Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

Note:

- The profile of the Directors is available on the website of the Company at: <https://www.mahindra.com/investors/board-of-directors>.



Mr. T. N. Manoharan

(DIN – 01186248)
Independent Director

Nationality	Indian
Age	64
Date of Appointment	11 th November, 2016
Tenure on Board	4 years and 5 months
Term Ending Date	10 th November, 2021 (1 st Term)
Shareholding	Nil
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Independent Director
Tech Mahindra Limited	Independent Director
Other Directorships*	Nil
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: 2 Member: 2



Mr. Haigreve Khaitan

(DIN – 00005290)
Independent Director

Nationality	Indian
Age	50
Date of Appointment	8 th August, 2019
Tenure on Board	1 year and 8 months
Term Ending Date	7 th August, 2024 (1 st Term)
Shareholding	Nil
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Independent Director
Ceat Limited	Independent Director
Inox Leisure Limited	Independent Director
Torrent Pharmaceuticals Limited	Independent Director
Tech Mahindra Limited	Independent Director
JSW Steel Limited	Independent Director
Borosil Renewables Limited	Independent Director
Other Directorships*	1
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: 3 Member: 8



* Excludes Private Limited Companies, Foreign Companies and Companies Registered under section 8 of the Act and includes Additional Directorship.

** Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

Note:

- The profile of the Directors is available on the website of the Company at: <https://www.mahindra.com/investors/board-of-directors>.



Ms. Shikha Sharma

(DIN – 00043265)
Independent Director

Nationality	Indian
Age	62
Date of Appointment	8 th August, 2019
Tenure on Board	1 year and 8 months
Term Ending Date	7 th August, 2024 (1 st Term)
Shareholding	Nil
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Independent Director
Ambuja Cements Limited	Independent Director
Dr. Reddy's Laboratories Limited	Independent Director
Tata Consumer Products Limited	Independent Director
Tech Mahindra Limited	Independent Director
Other Directorships*	Nil
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: 4



Ms. Nisaba Godrej

(DIN – 00591503)
Independent Director

Nationality	Indian
Age	43
Date of Appointment	8 th August, 2020
Tenure on Board	8 months
Term Ending Date	7 th August, 2025 (1 st Term)
Shareholding	Nil
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Independent Director
Godrej Consumer Products Limited	Chairperson & Managing Director
Godrej Agrovet Limited	Non-Executive Non-Independent Director
VIP Industries Limited	Independent Director
Other Directorships*	1
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: Nil



* Excludes Private Limited Companies, Foreign Companies and Companies Registered under section 8 of the Act and includes Additional Directorship.

** Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

Note:

- The profile of the Directors is available on the website of the Company at: <https://www.mahindra.com/investors/board-of-directors>.



Mr. Muthiah Murugappan

(DIN – 07858587)

Independent Director

Nationality	Indian
Age	37
Date of Appointment	8 th August, 2020
Tenure on Board	8 months
Term Ending Date	7 th August, 2025 (1 st Term)
Shareholding	Nil
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Independent Director
Other Directorships*	1
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: Nil



Mr. Vijay Kumar Sharma

(DIN – 02449088)

Non-Executive Non-Independent Director (Nominee of LIC)

Nationality	Indian
Age	62
Date of Appointment	14 th November, 2018
Tenure on Board	2 years and 5 months
Term Ending Date	N.A.
Shareholding	Nil
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Non-Executive Non-Independent Director (Nominee of LIC)
Tata Steel Limited	Non-Executive Non-Independent Director
Reliance Power Limited	Independent Director
NURECA Limited	Independent Director
Other Directorships*	2
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: 3 Member: 5



* Excludes Private Limited Companies, Foreign Companies and Companies Registered under section 8 of the Act and includes Additional Directorship.

** Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

Note:

- The profile of the Directors is available on the website of the Company at: <https://www.mahindra.com/investors/board-of-directors>.



Mr. CP Gurnani

(DIN – 00018234)

Non-Executive Non-Independent Director

Nationality	Indian
Age	62
Date of Appointment	1 st April, 2020
Tenure on Board	1 year
Term Ending Date	N.A.
Shareholding	2,290 Shares (0.0002%)
Board Memberships - Indian Listed Companies	
Mahindra & Mahindra Limited	Non-Executive Non-Independent Director
Tech Mahindra Limited	Managing Director and Chief Executive Officer
Other Directorships*	Nil
Committee details as per Regulation 26 of Listing Regulations**	Chairperson: Nil Member: 1



* Excludes Private Limited Companies, Foreign Companies and Companies Registered under section 8 of the Act and includes Additional Directorship.

** Committees considered are Audit Committee and Stakeholders' Relationship Committee, including that of your Company. Committee Membership(s) includes Chairmanship(s).

Note:

- The profile of the Director is available on the website of the Company at: <https://www.mahindra.com/investors/board-of-directors>.

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) except where Meetings have been convened at a shorter notice to transact urgent business. 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. During the year under review, all the Board and Committee Meetings were held through Video Conferencing facility.

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, Deputy Managing Director, Executive 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, 2020 to 31st March, 2021, Seven Board Meetings were held. The Board met at least once in every Calendar Quarter and the gap between two consecutive Meetings did not exceed one hundred and twenty days.

These Meetings were well attended by the Directors. The 74th AGM of your Company was held on 7th August, 2020.

The attendance of the Directors at these Meetings held during the year, was as under:

AGM and Board Attendance

Name of the Directors	AGM 7 th August, 2020	Board Meetings							Held during tenure	Attended	% of attendance of a Director
		1	2	3	4	5	6	7			
		3 rd April, 2020	23 rd April, 2020	12 th June, 2020	7 th August, 2020	10 th November, 2020	5 th February, 2021	26 th March, 2021			
Mr. Anand G. Mahindra									7	7	100%
Dr. Pawan Goenka*									7	7	100%
Dr. Anish Shah									7	7	100%
Mr. Rajesh Jejurikar									7	7	100%
Mr. Nadir B. Godrej**					N.A.	N.A.	N.A.		4	4	100%
Mr. M. M. Murugappan**					N.A.	N.A.	N.A.		4	4	100%
Dr. Vishakha N. Desai									7	6	86%
Mr. Vikram Singh Mehta									7	7	100%
Mr. T. N. Manoharan									7	7	100%
Mr. Vijay Kumar Sharma									7	7	100%
Mr. Haigreve Khaitan									7	7	100%
Ms. Shikha Sharma									7	7	100%
Mr. C P Gurnani									7	7	100%
Ms. Nisaba Godrej***	N.A.	N.A.	N.A.	N.A.	N.A.				3	3	100%
Mr. Muthiah Murugappan***	N.A.	N.A.	N.A.	N.A.	N.A.				3	3	100%
% of attendance at a Meeting	100%	100%	100%	100%	92%	100%	100%	100%			

Attended through video conference Leave of Absence

* Ceased as Director w.e.f. 2nd April, 2021.

** Ceased as Director w.e.f. 8th August, 2020.

***Appointed as Independent Director with effect from 8th August, 2020.

In view of the massive outbreak caused due to COVID-19 pandemic and severe restrictions imposed to contain the spread, including travel in most parts of the Country, all the Committee and Board Meetings were held through Video Conferencing facility (VC) during the year under review. All Directors were provided VC facility to participate in the Meetings of the Board and of Committees.

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 other Executive and Non-Executive Directors), assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

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

E. Director(s) seeking Appointment/ Re-appointment

Mr. CP Gurnani and Mr. Vijay Kumar Sharma, Directors liable to retire by rotation and being eligible for re-appointment at the ensuing AGM of your Company, have offered themselves for re-appointment.

Further, the Board based on the recommendation of GNRC and subject to approval of the Shareholders of the Company, considered and approved:

- Appointment of Ms. Nisaba Godrej (DIN: 00591503) and Mr. Muthiah Murugappan (DIN: 07858587), as Additional Directors (Independent and Non-Executive) on the Board of Directors of the Company, with effect from 8th August, 2020, to hold office of Independent Directors for a term of 5 (five) consecutive years commencing from 8th August, 2020 to 7th August, 2025 (both days inclusive); and
- Re-appointment of Mr. T. N. Manoharan (DIN: 01186248), as Independent Director of the Company for another term of 5 (five) consecutive years from 11th November, 2021 to 10th November, 2026 (both days inclusive).

Mr. CP Gurnani (Non-Executive Non-Independent Director)

Mr. CP Gurnani (popularly known as 'CP' within his peer group), is the Managing Director and Chief Executive Officer of Tech Mahindra Limited - a USD 5.2 billion digital transformation, consulting and business re-engineering services and solutions provider with 124,250+ professionals across 90 countries, helping 988 global customers including Fortune 500 companies.

An accomplished business leader with extensive experience in international business development, start-ups and turnarounds, joint ventures, mergers and acquisitions, Mr. CP Gurnani played a pivotal role in Tech Mahindra's transformation journey, and one of the biggest turnarounds of Indian Corporate History - the acquisition and merger of Satyam.

Living by the credo, 'don't work hard, work smart', Mr. CP Gurnani brings an inimitable leadership style combined with a laser-sharp focus on customer experience, which has helped Tech Mahindra emerge as one of the leading global digital transformation providers.

He strongly believes that one just cannot ride the growth path with resources that are out of sync with market dynamics. One of his many noticeable achievements in the past year has been an ambitious, company-wide initiative aimed at retraining Tech Mahindra employees to ensure they have the skills and knowledge to remain competitive and survive the age of digital transformation.

In a career spanning 40+ years, Mr. CP Gurnani has held several leading positions with Hewlett Packard Limited, Perot Systems (India) Limited and HCL Corporation Limited. Mr. CP Gurnani has also served as a Chairman of NASSCOM for the year 2016-2017.

He is an ardent supporter of Individual Social Responsibility, and often prods people to invest their time towards betterment of humanity and society, at large. He is on the Board of Tech Mahindra Foundation that was launched in 2007 to help the underprivileged children. He also founded 'Titliyan', an NGO that spearheads spreading quality education and developing life and social skills of more than 240 under privileged children.

A chemical engineering graduate from the National Institute of Technology, Rourkela, he is a distinguished and active alumnus of the Institute. Mr. CP Gurnani has also been felicitated with an honorary Doctorate degree by Veer Surendra Sai University of Technology and Sharda University. Mr. CP Gurnani has also been featured in a Harvard Case Study on 'Tech Mahindra and the Acquisition of Satyam Computers'.

He is the recipient of many prestigious awards including 'Inspiring CEO' 2021 recognition by the Economic Times, Technology Icon of India 2020 recognition by VARINDIA Brandbook, Business Today 'Best CEO' Awards 2019 (IT & ITES category), 'Corporate Leader of the Year' Award - 14th (I-ACE) Awards 2018, Gold Winner in the 'CEO of the Year' for his organisation's wide reskilling initiative, 'Asia One Global Indian of the Year - Technology' in 2016, Listed among the top 100 global CEOs as part of The Wall Street Journal CEO Council 2016, 'Best CEO of the Year' at the Forbes India Leadership Awards in 2015, Business Standard 'CEO of the Year' in 2014, CNBC Asia's India Business Leader of the Year in 2014, Dataquest 'IT person of the Year' in 2013 and The Ernst and Young 'Entrepreneur of the Year' in 2013.

Mr. CP Gurnani has completed 62 years of age.

His passion for education is resonated in the various honorary positions he holds - He is on the board of Mahindra Educational Institutions (MEI) & a member of the Board of Management of Mahindra University, a private university promoted by MEI to educate future citizens for and of a better world. He is also the Chairman of IIM Nagpur and the Founding Trustee of Plaksha University.

Mr. Gurnani is also on the Boards of Mahindra & Mahindra Limited, Pininfarina S.p.A and T-Hub Foundation.

Mr. CP Gurnani is a Chairman/ Member of the following Board Committees:

Name of the Company	Name of the Committee	Position Held
Tech Mahindra Limited	CSR Committee	Chairman
	Stakeholder Relationship Committee	Member
	Securities Allotment Committee	Member
	Investment Committee	Member

Mr. CP Gurnani holds 2,290 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, 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 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 premier 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 62 years of age.

Mr. Sharma is Non-Executive Non-Independent Director of Mahindra & Mahindra Limited, Director of Tata Steel Limited, Ambuja Cement Foundation, Independent Director of Reliance Power Limited, NURECA Limited, Additional Independent Director of Vidarbha Industries Power Limited and Chairman of Indian Commodity Exchange Limited.

Mr. Vijay Kumar Sharma 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	Strategic Investment Committee	Member
2.	Tata Steel Limited	Stakeholders Relationship Committee	Chairman
		Safety Health and Environment Committee	Member

Sr. No.	Name of the Company	Name of the Committee	Position Held
3.	Indian Commodity Exchange Limited	Advisory Committee	Chairman
		Audit Committee	Member
		Nomination & Remuneration Committee	Member
		Risk Management Committee	Member
		Member and Core Settlement Guarantee Fund Committee	Member
		Standing Committee on Technology	Member
4.	Reliance Power Limited	Regulatory Oversight Committee	Member
		Nomination & Remuneration Committee	Chairman
		Stakeholders Relationship Committee	Chairman
		Audit Committee	Member
		CSR Committee	Member
5.	Vidarbha Industries Power Limited	Risk Management Committee	Member
		Audit Committee	Chairman
		CSR Committee	Chairman
		Nomination & Remuneration Committee	Member

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

Ms. Nisaba Godrej (Independent Director)

Ms. Nisaba Godrej is the Chairperson and Managing Director of Godrej Consumer Products Limited ("GCPL").

She has been a key architect of GCPL's strategy and transformation in the last decade. In 2007, she initiated and led Project Leapfrog, which created a playbook for GCPL to accelerate domestic organic growth through innovation and consolidation, and to become a more global company by investing in emerging markets outside of India.

Over the last ten years, GCPL's market capitalisation has increased twenty-fold and GCPL has developed a very strong, engaged and ambitious team, and is consistently ranked as a great place to work.

She has also institutionalised design driven thinking and directly leads product development.

Ms. Nisaba is passionate about identifying and developing the talent required for the Godrej Group's future growth.

Through her oversight of the Group HR function for Godrej Industries and associate companies, she has made Godrej a more meritocratic and highly performance driven organisation, while keeping the Group's values front and centre.

She has also spearheaded the Group's Good & Green agenda to drive more inclusive and sustainable growth. Her previous assignments within the Godrej Group have included the successful turnaround of Godrej Agrovet and the creation of a Group strategy function to oversee the Group's portfolio.

In addition to GCPL, Ms. Nisaba is on the Boards of Godrej Agrovet Limited, Godrej Seeds and Genetics Limited, Innovia Multiventures Private Limited and is the Chairperson of Teach For India. She is an Independent Director on the Boards of VIP industries Limited and Mahindra & Mahindra Limited.

Ms. Nisaba holds a BSc degree from The Wharton School at the University of Pennsylvania and an MBA from Harvard Business School. She is passionate about girls' education, the human mind, trekking and equestrian sports.

Ms. Nisaba Godrej has completed 43 years of age.

Ms. Nisaba is a Chairperson/Member of the following Board Committees:

Sr. No.	Name of the Company	Name of the Committee	Position Held
1.	Godrej Consumer Products Limited	Sustainability Committee	Chairperson
		Management Committee	Chairperson
		Corporate Social Responsibility Committee	Member
		Risk Management Committee	Member
2.	Godrej Agrovet Limited	Nomination & Remuneration Committee	Member
		Managing Committee	Member
3.	Godrej Seeds and Genetics Limited	Corporate Social Responsibility Committee	Member
4.	VIP Industries Limited	Nomination & Remuneration Committee	Member
5.	Mahindra & Mahindra Limited	Governance, Nomination & Remuneration Committee	Member

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

Mr. Muthiah Murugappan (Independent Director)

Mr. Muthiah Murugappan holds Bsc degree in Management Science from the University of Warwick (Warwick Business School). He started his career in August, 2004 with Indian FMCG major - CavinKare Private Limited, where initially he served as an Area Sales Manager in the Western and Southern regions and have worked in the States of Maharashtra, Madhya Pradesh, Chattisgarh and Andhra Pradesh. He subsequently moved into a Brand Management role and served as a Product Manager for the International Business Unit, covering the Gulf Cooperation Council and ASEAN regions.

In July, 2007, he joined Carborundum Universal Limited ("CUMI") as an Exports Manager. CUMI is an integral part of the family business conglomerate – The Murugappa Group of which he is a fifth-generation Member. He subsequently moved to the US to handle CUMI's trading operations in North America and in 2010 returned to India to head its Wear Ceramics business where he served till July, 2013.

He then decided to take a sabbatical to pursue a Full Time MBA at the London Business School starting fall of 2013. He then returned to The Murugappa Group to head the Nutraceuticals Business of Group flagship – EID Parry India Limited.

Mr. Muthiah is a Director on the Boards of Murugappa Morgan Thermal Ceramics Limited, US Nutraceuticals Inc., Alimtec S.A., CUMI (Australia) Pty. Ltd., Nominee Director on the Board of Algavista Greentech Private Limited and Independent Director on the Board of Mahindra & Mahindra Limited.

Mr. Muthiah has completed 37 years of age.

Mr. Muthiah is a Member of the following Board Committee(s):

Name of the Company	Name of the Committee	Position Held
Mahindra & Mahindra Limited	Corporate Social Responsibility Committee	Member

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

Mr. T. N. Manoharan (Independent Director)

Mr. T. N. Manoharan was born in a Freedom Fighter's family with agriculture as the occupation. He is a Chartered Accountant of 38 years of standing. He is a law graduate. He has authored books for professionals and students on Indian tax law.

He was the President of the Institute of Chartered Accountants of India during the year 2006-07.

He was part of the Government nominated Board for revival of Satyam Computer Services Limited from January, 2009 to July, 2012. He served as Chairman of the Committee on Accounting Standards and Taxation of Confederation of Indian Industry during 2009-2011.

He served as the Chairman of Canara Bank for five years up to August, 2020. Mr. Manoharan is currently a Member of the RBI Standing External Advisory Committee for evaluating applications for Universal Banks and Small Finance Banks.

Mr. Manoharan is recipient of several awards including the CNN IBN "Indian of the Year 2009" award from the Hon'ble Prime Minister of India in December, 2009 and conferred the civilian honour "Padma Shri" award by the President of India on 7th April, 2010.

Mr. Manoharan has completed 65 years of age.

Mr. Manoharan is Independent Director on the Boards of Mahindra & Mahindra Limited and Tech Mahindra Limited and Director on the Board of Tech Mahindra (Americas) Inc.

Mr. Manoharan 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	Audit Committee	Chairman
		Risk Management Committee	Member
		Strategic Investment Committee	Member
2.	Tech Mahindra Limited	Audit Committee	Chairman
		Nomination & Remuneration Committee	Chairman
		Risk Management Committee	Member
		Securities Allotment Committee	Member

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

F. Codes of Conduct

The Board of your Company has laid down two separate Codes of Conduct ("Codes"), one for all the Board Members and the other for Employees of the Company. These Codes have been posted on the website of your

Company and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>. All the Board Members and Senior Management Personnel have affirmed compliance with these Codes. A declaration signed by the Managing Director and Chief Executive Officer 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 & Chief Executive Officer and Group Chief Financial Officer of the Company have jointly given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. Further, prior to the organisational changes, the quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations were jointly certified and issued by the Executive Chairman, Managing Director & Chief Executive Officer and Deputy Managing Director & Group Chief Financial Officer of the Company.

H. 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, Listing Regulations, Taxation and other matters, Prevention of Insider Trading Regulations, Listing Regulations, Framework for Related Party Transactions, Meeting with Senior Executive(s) of your Company, etc. Pursuant to Regulation 46 of the Listing Regulations, the details required are available on the website of your Company at the web link: <https://www.mahindra.com/resources/FY21/AnnualReport.zip>.



I. 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.

J. 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 alongwith the names of Directors who have such skills/expertise/competence, 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.

Sr. No.	Skills	Particulars
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.
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.

Name of Directors	Skills					
	Business Experience	Global business/ broad international exposure/emerging markets experience	Financial Experience and Risk Oversight	Technology and Innovation	Governance and Regulatory oversight	Sales and Marketing Exposure
						
Mr. Anand G. Mahindra	√	√	√	√	√	√
Dr. Pawan Goenka*	√	√	√	√	√	√
Dr. Anish Shah	√	√	√	√	√	√
Mr. Rajesh Jejurikar	√	√	√	√	√	√
Dr. Vishakha N. Desai	–	√	–	√	–	√
Mr. Vikram Singh Mehta	√	√	√	–	√	–
Mr. T. N. Manoharan	–	√	√	–	√	–
Mr. Vijay Kumar Sharma	√	–	√	–	√	√
Mr. Haigreve Khaitan	√	√	√	√	√	–
Ms. Shikha Sharma	√	√	√	√	√	√
Mr. CP Gurnani	√	√	√	√	√	√
Ms. Nisaba Godrej	√	√	√	√	√	√
Mr. Muthiah Murugappan	√	√	–	√	√	√

* Ceased to be a Director with effect from 2nd April, 2021.

K. 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).

L. Lead Independent Director

Mr. Vikram Singh Mehta, Independent Director and Chairman of Governance, Nomination and Remuneration Committee has been appointed as the Lead Independent Director with effect from 1st April, 2021.

As a Lead Independent Director, Mr. Mehta has been entrusted, *inter alia*, with the following roles and responsibilities:

- (i) Provide leadership to the Independent Directors and liaise between the Chairperson of the Board and Independent Directors without inhibiting direct communication between them;
- (ii) Ensure Board effectiveness to maintain high-quality governance of the Company and the effective functioning of the Board;
- (iii) Convene exclusive Meeting(s) of Independent Directors, set agenda, preside over the meetings of the Independent Directors and provide feedback to the Chairperson/Board of Directors after such meetings;
- (iv) Preside over meetings of the Board at which the Chairperson is not present;
- (v) Identify critical issues for the Board to deal with and assist the Board in achieving consensus on important issues;
- (vi) Communicate to the Chairman and Management, as appropriate, any decisions reached, suggestions, views or concerns expressed by Independent Directors at their Meetings or outside of the Board meetings;
- (vii) Play the role of a facilitator outside the Boardroom, especially, on contentious issues;
- (viii) Provide candid feedback to MD & CEO and CFO post Meeting of Independent Directors;
- (ix) Take the lead role, along with Chairman in assessing the performance evaluation of the Board and that of Individual Director.

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 and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

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, 2021

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. 261.43 lakhs (provided for in the accounts for the year ended 31st March, 2020), distributed amongst the Directors as follows:

(Rs. In Lakhs)

Directors	Commission for the year ended 31 st March, 2020, paid during the year under review
Mr. Nadir B. Godrej*	30.00
Mr. M. M. Murugappan*	36.00
Mr. R. K. Kulkarni **	12.69 ^{##}
Mr. Anupam Puri**	10.57
Mr. Vikram Singh Mehta	30.00
Dr. Vishakha N. Desai	36.00
Mr. T. N. Manoharan	36.00
Mr. Vijay Kumar Sharma (Nominee of LIC)	27.43 [#]
Mr. Haigreve Khaitan	23.31 ^{##}
Ms. Shikha Sharma	19.43

* Ceased to be a Director w.e.f. 8th August, 2020.

** Ceased to be a Director w.e.f. 8th August, 2019.

The Commission was paid to LIC.

The Commission was paid to Khaitan & Co., in which Mr. R. K. Kulkarni and Mr. Haigreve Khaitan are Partners.

A commission of Rs. 262.06 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. 30,000 each for Non-Executive Director (increased from Rs. 10,000 to Rs. 30,000 with effect from 7th August, 2020). Additionally, Non-Executive Directors are also reimbursed for expenses incurred in the performance of their official duties.

The sitting fees paid to Non-Executive Directors and the commission payable to them for the year ended 31st March, 2021 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, 2021 (Rs. in Lakhs)	Commission for the year ended 31 st March, 2021, 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, 2021
Mr. Nadir B. Godrej*	9.00	10.60	Not Applicable
Mr. M. M. Murugappan*	8.00	12.72	Not Applicable
Mr. Vikram Singh Mehta	20.00	33.88	20,000
Dr. Vishakha N. Desai	7.90	36.00	7,500
Mr. T. N. Manoharan	14.50	36.00	Nil
Mr. Vijay Kumar Sharma (Nominee of LIC)	9.50	30.00 [#]	Nil
Mr. Haigreve Khaitan	14.90 ^{##}	36.00 ^{##}	Nil
Ms. Shikha Sharma	20.00	30.00	Nil
Mr. CP Gurnani [^]	Nil	Nil	2,290
Ms. Nisaba Godrej**	4.00	19.40	Nil
Mr. Muthiah Murugappan**	3.00	17.46	Nil

* Ceased to be a Director w.e.f. 8th August, 2020.

Commission is payable to LIC.

Sitting fees/Commission were paid/are payable to Khaitan & Co., in which Mr. Haigreve Khaitan is a Partner.

[^] Mr. CP Gurnani being a Whole-time Director of Tech Mahindra Limited, has waived his right to receive Sitting fees for attending the Meetings of the Board of Directors or any Committee or any other remuneration payable to the Non-Executive Directors of the Company.

** Appointed as a Director w.e.f. 8th August, 2020.

The Non-Executive Directors were not granted stock options during the year under review.

C. Remuneration paid/payable to the Whole-time Directors for the year ended 31st March, 2021

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, 2021:

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)	393.80	431.53	57.19	3.39	885.91	12 th November, 2016 to 11 th November, 2021
Dr. Pawan Goenka (Managing Director and Chief Executive Officer)	446.26	489.37	63.53	19.72	1,018.88	12 th November, 2020 to 1 st April, 2021
Dr. Anish Shah (Deputy Managing Director and Group Chief Financial Officer)	814.54	—	35.40	91.32 [@]	941.26	As Deputy Managing Director and Group Chief Financial Officer from 1 st April, 2020 to 1 st April, 2021 and as Managing Director and Chief Executive Officer from 2 nd April, 2021 to 31 st March, 2025
Mr. Rajesh Jejurikar, Executive Director (Automotive and Farm Sectors)	541.51	—	23.42	119.00 ^{@@}	683.93	1 st April, 2020 to 31 st March, 2025

1 Includes Privilege Leave Encashment.

2 Aggregate of the Company's contributions to Superannuation Fund and Provident Fund.

@ This includes Rs. 90.62 lakhs being perquisite value of ESOPs of the Company exercised during the year.

@@ This includes Rs. 113.58 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, Commission and Performance Pay are the only components of remuneration that are performance-linked. All other components are fixed.

D. Remuneration to Mr. Anand G. Mahindra upon transition to the role of Non-Executive Chairman

The Board based on the recommendation of GNRC considered and approved transition of Mr. Anand G. Mahindra to the role of Non-Executive Chairman of the Company with effect from 12th November, 2021 and subject to approval of the Shareholders of the Company, also approved remuneration payable to Mr. Mahindra who shall become Non-Executive Director designated as Non-Executive Chairman of the Company with effect from 12th November, 2021. Mr. Mahindra's current term as Executive Chairman of the Company is upto 11th November, 2021.

E. 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						
	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
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Mr. Anand G. Mahindra, Executive Chairman	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Pawan Goenka, Managing Director & Chief Executive Officer@@	25,290	*7,500***	*15,000***	*11,345***	*12,543***	*37,336***	Nil
Mr. Nadir B. Godrej, Independent Director#	20,000	*5,000	Nil	Nil	Nil	Nil	Nil
Mr. M. M. Murugappan, Independent Director#	20,000	*5,000	Nil	Nil	Nil	Nil	Nil
Dr. Vishakha N. Desai, Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	@ 20,000*****
Mr. Vikram Singh Mehta, Independent Director	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	*10,000
Dr. Anish Shah, Dy. Managing Director & Group CFO^	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. Rajesh Jejurikar, Executive Director - AFS^^	*13,548	*15,000***	N.A.	*12,824***	*13,492***	@ 25,178***	N.A.

Name of Directors (alongwith their Designation) to whom Stock Options have been granted	2010 Scheme							
	Options granted in January, 2011	Options granted in November, 2013	Options granted in August, 2015	Options granted in November, 2015	Options granted in November, 2018	Options granted in November, 2019	Options granted in November, 2020	Options granted in March, 2021
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Mr. Anand G. Mahindra, Executive Chairman	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dr. Pawan Goenka, Managing Director & Chief Executive Officer@@	*71,080	Nil	1,12,743*****	Nil	36,504	36,504	30,013	57,195
Dr. Anish Shah, Dy. Managing Director & Group CFO^	N.A.	N.A.	*1,25,270*****	Nil	Nil	36,504	57,755	Nil
Mr. Rajesh Jejurikar, Executive Director - AFS^^	@ 37,085	*44,282****	*40,733****	*13,578****	18,882	18,882	49,870	Nil

@ Unexercised Options lapsed.

@@ Ceased as Director w.e.f. 2nd April, 2021.

Ceased as Director w.e.f. 8th August, 2020.

^ Appointed as Dy. Managing Director & Group CFO w.e.f. 1st April, 2020.

^^ Appointed as Executive Director - AFS w.e.f. 1st April, 2020.

Note: Mr. T. N. Manoharan, Mr. Vijay Kumar Sharma, Mr. Haigreve Khaitan, Ms. Shikha Sharma, Ms. Nisaba Godrej, Mr. Muthiah Murugappan and Mr. CP Gurnani have not been granted any Options.

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) November, 2013	Five equal instalments in November 2014, 2015, 2016, 2017 and 2018 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share*****
(10) 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*****
(11) November, 2015	Four instalments in May 2017, 2018, 2019 and 2020 respectively	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share*****
(12) 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
(13) November, 2019	Three instalments in November 2020, 2021 and 2022	On the date of Vesting or within five years from the date of Vesting	Rs. 5 per share
(14) November, 2020	Three instalments in November 2021, 2022 and 2023	On the date of Vesting or within five years from the date of grant	Rs. 5 per share
(15) March, 2021	Three instalments in March 2022, 2023 and 2024	On the date of Vesting or within five years from the date of grant	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.

*** 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 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 including Chief Risk Officer of the Company. The terms of reference of the Council comprise review of Risks and Risk Management Policy at periodic intervals.

Subsequent to the year end, the terms of reference of the Committee and the Risk Management Policy was amended by the Board pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021.

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

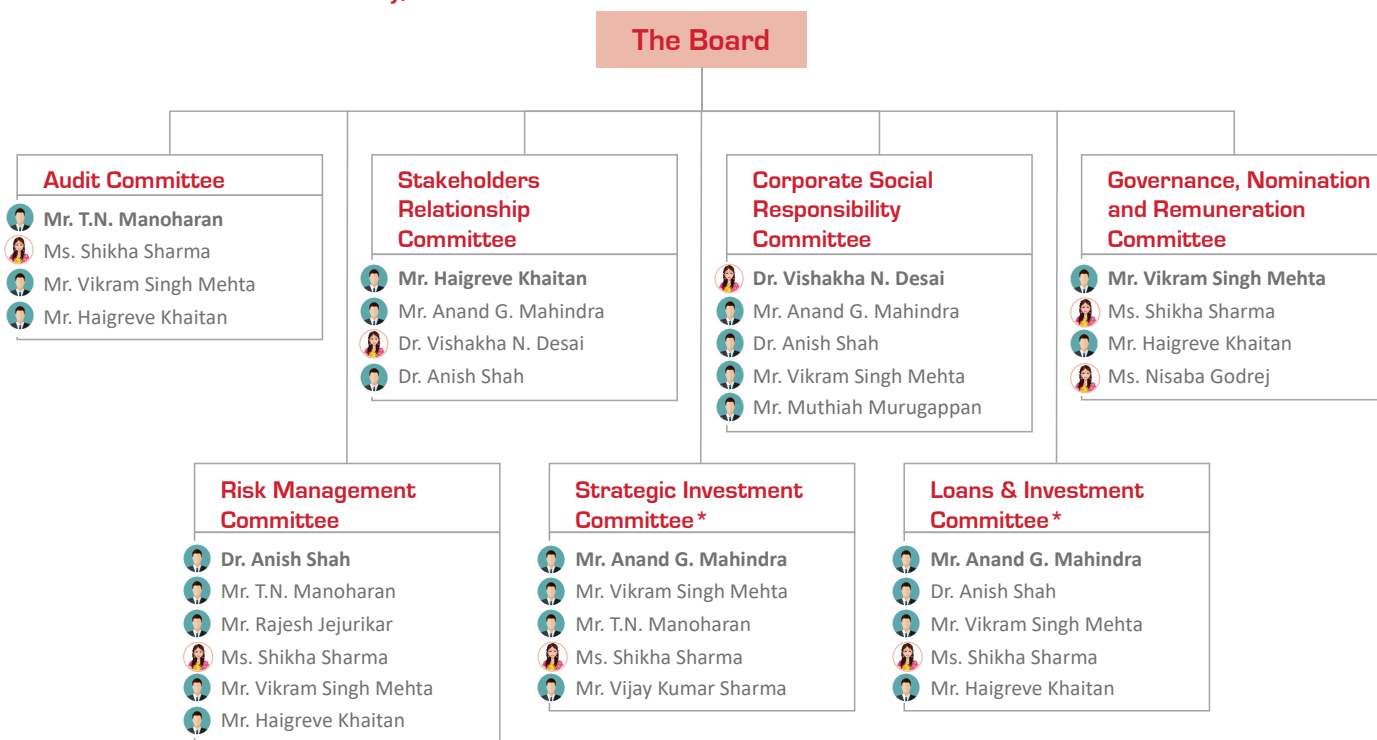
The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulations; which concern the Company and need a closer review. Majority of the

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 Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the Meeting of all Committees are placed before the Board for review.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

There are seven Board constituted Committees as on 31st March, 2021, which comprise of five statutory committees and two non-statutory committees (voluntary committees), details of which are as follows:

Board Committees as on 28th May, 2021



Chairperson | Members

* Voluntary Committees

A. Audit Committee

This Committee comprises of the following Directors viz. Mr. T. N. Manoharan (Chairman of the Committee), Ms. Shikha Sharma, Mr. Vikram Singh Mehta and Mr. Haigreve Khaitan. All Members of the Committee are Independent Directors. Mr. Vikram Singh Mehta and Mr. Haigreve Khaitan were appointed as Members of the Committee with effect from 8th August, 2020 and Mr. Nadir B. Godrej and Mr. M. M. Murugappan ceased to be Members of the Committee with effect from 8th August, 2020 upon cessation as Directors of the Company. 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, review the utilisation 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 Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“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 and Listing Regulations.

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

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.

Subsequent to the year end, the terms of reference of the Audit Committee was amended to include to consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 effective from 6th May, 2021.

The Meetings of the Audit Committee are also attended by the Executive Chairman, the Managing Director and Chief Executive Officer, the Deputy Managing Director and Group Chief Financial Officer, Executive Director (Auto and Farm Sectors), the President (Group Controller of Finance and Accounts), the Senior Vice President – Corporate Finance, the Statutory Auditors, the Chief Internal Auditor, the Controller of Accounts, the President – Mahindra Partners & Group Legal, the Chief Financial Officer of Auto and Farm Sectors and the Company Secretary.

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 virtually present at the 74th AGM of the Company held through Video Conferencing facility on 7th August, 2020 to address the Shareholders’ queries pertaining to Annual Accounts of the Company.

The Committee met seven times during the year under review on 3rd April, 2020, 23rd April, 2020, 11th June, 2020, 6th August, 2020, 9th November, 2020, 4th February, 2021 and 25th March, 2021. The gap between two Meetings did not exceed one hundred and twenty days. The attendance at the Meetings was as under:

Audit Committee Meeting

Name of the Directors	Committee Meetings							Held during tenure	Attended	% of attendance of a Member
	1 3 rd April, 2020	2 23 rd April, 2020	3 11 th June, 2020	4 6 th August, 2020	5 9 th November, 2020	6 4 th February, 2021	7 25 th March, 2021			
Mr. T. N. Manoharan (Chairman)								7	7	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Ms. Shikha Sharma								7	7	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Vikram Singh Mehta*	N.A.	N.A.	N.A.	N.A.				3	3	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Haigreve Khaitan*	N.A.	N.A.	N.A.	N.A.				3	2	<div style="width: 67%;"><div style="width: 67%;"></div></div> 67%
Mr. Nadir B. Godrej**					N.A.	N.A.	N.A.	4	4	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. M. M. Murugappan**					N.A.	N.A.	N.A.	4	4	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
% of attendance at a Meeting	100%	100%	100%	100%	100%	100%	75%			

Attended through video conference Leave of Absence

* Appointed as Member of the Committee with effect from 8th August, 2020.

** Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2020.

AUDIT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Activities of the Committee during the year	Frequency
Reviewed Quarterly, Half yearly and Annual Standalone and Consolidated financial statements of the Company prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under the Companies Act, 2013, read with the relevant rules thereunder	Q/A
Held discussions with the Statutory Auditors regarding the Company's audited financial statements and sought the auditors' judgment on the quality and applicability of the accounting principles, the reasonableness of significant judgments, the adequacy of disclosures in the financial statements and other matters as the Committee deemed necessary	Q
Reviewed and approved the Audit Fees and fees payable for other services rendered by the Statutory Auditors during the year under review	A
Considered and made recommendation of the Remuneration payable to the Chief Internal Auditor and Chief Financial Officer of the Company	A
Reviewed the performance of the Statutory Auditors and Internal Auditors	A
Reviewed with independent auditors, the nature and scope of the audit alongwith the review of audit engagement to ascertain adequacy and appropriateness	E
Reviewed the Management's discussion and analysis of the financial condition and results of operations of the Company	A
Reviewed the process adopted by the Management on impairment of Investments, etc.	Q
Reviewed the Directors' Responsibility Statement after making due enquiries from the Operating Management	A
Reviewed the internal audit findings, the action taken status and other matters concerning the internal audit functioning of the Company and the Group	Q
Reviewed the utilisation of loans and/or advances from/investment by the Company in the subsidiaries exceeding Rs.100 crores or 10% of the asset size of the subsidiary, whichever is lower	Q
Reviewed and granted prior approval for transactions with related parties, approved specific arrangements/ transactions, Granted omnibus approval for transactions proposed to be entered with related parties, within the maximum limit per transaction and maximum limit in the aggregate, Granted omnibus approval to cover unforeseen Related Party transactions and review of Related Party Transactions entered into by the Company for previous quarter pursuant to the prior and omnibus approvals accorded by the Committee and recommended to the Board for approval as and when necessary	Q
Reviewed the risk assessment and minimisation procedures to ensure that executive Management controls risk through means of a properly defined framework and risk management systems, etc.	Q
Reviewed the Audited financial statements, in particular the investments made by all unlisted subsidiary companies and all significant transactions and arrangements entered into by the unlisted subsidiary companies	A
Approved the other services proposed to be rendered by the Statutory Auditors, directly or indirectly	A/E
Considered, approved and recommended to the Board change in the Service Provider as well as change in Processes under the Ethics Helpline under Whistleblower Policy of the Company	E
Noted the Material Subsidiaries and Unlisted Material Subsidiary of the Company	A
Monitored and reviewed the mechanism to track the compliances under SEBI (Prohibition of Insider Trading) Regulations, 2015 and also reviewed the compliance updates in addition to the investigations of the Whistleblower Complaints received alongwith Report under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013	Q
Considered and approved the appointment of Cost Auditors, remuneration payable to them and the Cost Audit Report and made recommendation to the Board	A
Considered and recommended the appointment of the Chief Financial Officer of the Company and approved the remuneration payable to him	E
Reviewed, approved and recommended amendments to the Code of Conduct for Prevention of Insider Trading in Securities of Mahindra & Mahindra Limited and Policy on Insider Trading	E
Held meeting with the Representatives of the Credit Rating Agencies which have rated the Non- Convertible Debentures issued by the Company	A
Considered and approved the Appointment of the Registered Valuers under the Companies Act, 2013	E
Reviewed compliance of Insider Trading Regulations and Systems for Internal Controls for prevention of Insider Trading	A
Considered and approved the Scheme of Merger of Subsidiary(ies) of the Company from Related Party approval standpoint and also as required under the Listing Regulations and recommended to the Board for its approval	E

Frequency **A** Annually **Q** Quarterly **E** Event based

B. Governance, Nomination and Remuneration Committee

All Committee Members are Independent Directors. The Board at its Meeting held on 7th August, 2020 reconstituted the Governance, Nomination and Remuneration Committee and appointed Mr. Vikram Singh Mehta as the Chairman with effect from 8th August, 2020. Mr. Haigreve Khaitan, Ms. Nisaba Godrej (with effect from 8th August, 2020) and Ms. Shikha Sharma (with effect from 8th August, 2020) are other Members of the Committee. Mr. M. M. Murugappan was the Chairman of the Committee and Mr. Nadir B. Godrej was a Member of the Committee upto 7th August, 2020. Mr. Anand G. Mahindra, Executive Chairman and Mr. Ruzbeh Irani, President - Group HR and Communications 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).

The terms of reference of this Committee are aligned with the Listing Regulations and 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. This policy has also been posted on the website of the Company and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

The Committee has undertaken a structured and comprehensive succession planning program over a period of time and has carried out a rigorous review for an orderly Succession to the Board and the Senior Management.

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 performance evaluation is carried out based on the responses received from the Directors.

The performance evaluation of Independent Directors was 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 erstwhile Chairman of the Committee, Mr. M. M. Murugappan was present at the 74th AGM of the Company held on 7th August, 2020.

The Committee met five times during the year under review on 12th June, 2020, 6th August, 2020, 9th November, 2020, 4th February, 2021 and 25th March, 2021. The attendance at the Meetings was as under:

Governance, Nomination and Remuneration Committee Meeting

Name of the Directors	Committee Meetings					Held during tenure	Attended	% of attendance of a Member
	1 12 th June, 2020	2 6 th August, 2020	3 9 th November, 2020	4 4 th February, 2021	5 25 th March, 2021			
Mr. M. M. Murugappan (Chairman)*			N.A.	N.A.	N.A.	2	2	100%
Mr. Vikram Singh Mehta (Chairman)**						5	5	100%
Mr. Nadir B. Godrej#			N.A.	N.A.	N.A.	2	2	100%
Mr. Haigreve Khaitan						5	4	80%
Ms. Shikha Sharma&	N.A.	N.A.				3	3	100%
Ms. Nisaba Godrej@	N.A.	N.A.				3	2	67%
% of attendance at a Meeting	100%	100%	100%	75%	75%			

Attended through video conference Leave of Absence

- * Ceased to be a Director and thereby Chairman and Member of the Committee with effect from 8th August, 2020.
- ** Appointed as Chairman of the Committee with effect from 8th August, 2020.
- # Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2020.
- & Appointed as Member of the Committee with effect from 8th August, 2020.
- @ Appointed as an Independent Director and Member of the Committee with effect from 8th August, 2020.

GOVERNANCE, NOMINATION AND REMUNERATION COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Activities of the Committee during the year	Frequency
Finalisation of the process of evaluation and carrying out evaluation of the performance of the Board, its Committees, Directors and Chairman of the Company and mapping of chart / matrix of core skill/ expertise/ competencies of the Board	A
Recommended to the Board the appointment of Dr. Anish Shah, Mr. Rajesh Jejurikar and Mr. CP Gurnani, for recommendation to the Shareholders	E
Amended the Code of Conduct for Employees and recommended the same to the Board	E
Discussion on identification of New Independent Directors	E
Approved change in the criteria for Grant of Employee Stock Options	E
Approved and recommended to the Board the appointment of Ms. Nisaba Godrej and Mr. Muthiah Murugappan as Additional Directors (Independent and Non-Executive) on the Board of Directors of the Company with effect from 8 th August, 2020 for a term of 5 (five) consecutive years commencing from 8 th August, 2020 to 7 th August, 2025 (both days inclusive)	E
Grant of Stock Options to the Eligible Employees under the Mahindra & Mahindra Limited Employees Stock Option Scheme – 2010 and cancellation of Stock Options in certain cases	A / E
Remuneration and Commission to be paid to the Wholetime Directors	A
Induction of Mr. Amit Kumar Sinha, President-Group Strategy on the Group Executive Board with effect from 2 nd April, 2021, approved the remuneration payable to him from 2 nd April, 2021 as a member of the Senior Management and recommended the same to the Board	E
Appointment of Mr. Manoj Bhat as the Chief Financial Officer of the Company to be designated as 'Group Chief Financial Officer' with effect from 2 nd April, 2021, approval of the remuneration payable to him and his induction as a member of Group Executive Board with effect from 2 nd April, 2021 and recommended the same to the Board	E
Noted cessation of Dr. Pawan Goenka as Managing Director, Chief Executive Officer and as Director with effect from 2 nd April, 2021 and placing on record its deep appreciation for the invaluable services rendered by Dr. Goenka	E
Approved the appointment of Mr. Vikram Singh Mehta as a Lead Independent Director of the Company with effect from 1 st April, 2021, defined his role and recommended the same to the Board	E
Penalty Framework under Code of Conduct for Employees	E

Frequency **A** Annual **E** Event Based

C. Stakeholders Relationship Committee

The Company's Stakeholders Relationship Committee functions under the Chairmanship of Mr. Haigreve Khaitan, Independent Director. Moreover, the Board at its Meeting held on 26th March, 2021 re-constituted the Stakeholders Relationship Committee and appointed Dr. Anish Shah as the Member of the Committee with effect from 2nd April, 2021. Mr. Anand G. Mahindra and Dr. Vishakha N. Desai are the other Members of the Committee. Dr. Pawan Goenka ceased to be a Member of the Committee with effect from 2nd April, 2021, upon cessation as a Director of the Company.

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 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 dematerialisation of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates 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/demand drafts/annual reports/statutory notices by the Shareholders of the Company. With a view to expedite the process of share transfers/transmission necessary authority has been delegated to certain officers of the Company. The Committee is 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 Section 178 of the Act, as applicable, besides other terms as referred by the Board of Directors.



As per section 178(7) of the Act and the Secretarial Standards, the Chairman of the Committee or, in his absence, any other Member of the Committee authorised by him in this behalf shall attend the General Meetings of the Company. The Chairman of the Committee, Mr. Haigreve Khaitan was present at the 74th AGM of the Company held on 7th August, 2020.

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 11th June, 2020 and 4th February, 2021. The attendance at the Meetings was as under:

Stakeholders Relationship Committee Meeting

Name of the Directors	Committee Meetings				
	1	2	Held during tenure	Attended	% of attendance of a Member
	11 th June, 2020	4 th February, 2021			
Mr. Haigreve Khaitan (Chairman)			2	2	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Anand G. Mahindra			2	2	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Dr. Pawan Goenka [@]			2	2	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Dr. Vishakha N. Desai			2	2	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
% of attendance at a Meeting	100%	100%			

  Attended through video conference

[@] Ceased to be a Director and thereby Member of the Committee with effect from 2nd April, 2021.

STAKEHOLDERS RELATIONSHIP COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Activities of the Committee during the year	Frequency
Reviewed compliances related to Share Transfer Agent activities of KFin Technologies Private Limited and Investor Related Compliances	P
Approved issuance of new share certificate for transfer of shares to Investor Education and Protection Fund (IEPF), approved transfer of shares to IEPF and related matters	A
Reviewed measures taken for effective exercise of voting rights by shareholders	P
Reviewed various 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	P
Reviewed adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent (RTA)	P
Noted release of shares from Mahindra & Mahindra Limited - Unclaimed Securities Suspense Account	P
Noted status of Legal Case(s) pertaining to shares	P
Took note of status of various accounts relating to payment of investor dues	P
Took note of the annual audit report submitted by the independent auditors on the annual internal audit conducted on the RTA operations as mandated by SEBI	A
Approved issue of Duplicate Share Certificates	P

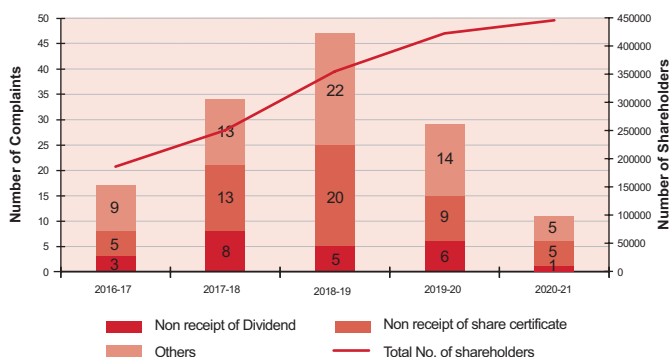
Frequency **A** Annual **P** Periodically

Details of Shareholders'/ Investors' Complaints:

During the Financial Year ended 31st March, 2021, 11 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:

Financial Year	2016-17	2017-18	2018-19	2019-20	2020-21
Total No. of Complaints received and resolved	17	34	47	29	11
No. of Shareholders as on 31 st March	1,85,882	2,50,395	3,54,817	4,22,292	4,44,755



Increase in number of complaints during the Financial Years 2017-18 and 2018-19 was 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. Since the last two Financial Years, the Company has witnessed a fall in number of complaints as a result of proactive interaction with the Shareholders by the Company to resolve their queries.

D. Corporate Social Responsibility Committee

Dr. Vishakha N. Desai, Independent Director is the Chairperson of the Committee. Mr. Anand G. Mahindra, Dr. Pawan Goenka and Mr. Vikram Singh Mehta were the other Members of the Committee. Out of the total number of Members of the Committee, two are Independent Directors. Subsequent to the year end, Dr. Pawan Goenka ceased to be a Member of the Committee with effect from 2nd April, 2021 upon cessation as a Director of the Company and Dr. Anish Shah was appointed as Member of the Committee with effect from that date.

Further, Mr. Muthiah Murugappan was appointed as Member of the Committee with effect from 28th May, 2021.

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 through its ESOPs (Employee Stock Options) programme or through implementing partners which include a company established under section 8 of the Act, or a registered public trust or a registered society having an established track record of at least 3 years in undertaking similar activities, 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.

During the year under review and pursuant to the amendments in the CSR provisions notified by the Ministry













of Corporate Affairs, with effect from 22nd January, 2021, the scope of functions of the Committee was amended to include *inter alia*, formulation and recommendation to the Board, an Annual Action Plan in pursuance of CSR policy of the Company including CSR projects or programmes that are approved to be undertaken, manner of execution of such projects or programmes, modalities of utilisation of funds and implementation schedule(s), monitoring and reporting mechanism, need and impact assessment, if any, for the projects undertaken by the Company, etc.

The role of this Committee also includes recommendation of the amount of expenditure to be incurred on the CSR activities as enumerated in Schedule VII of the Act and also referred to in the CSR Policy of the Company, as also to monitor the CSR Policy from time to time, etc.

The CSR Policy of your Company is in alignment with the recent amendments in the CSR Provisions and is available on the website of the Company and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

The Committee met thrice during the year under review on 11th June, 2020, 9th November, 2020 and 25th March, 2021. The attendance at the Meetings was as under:

Corporate Social Responsibility Committee Meeting

Name of the Directors	Committee Meetings			Held during tenure	Attended	% of attendance of a Member
	1 11 th June, 2020	2 9 th November, 2020	3 25 th March, 2021			
Dr. Vishakha N. Desai (Chairperson)				3	3	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Anand G. Mahindra				3	3	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Dr. Pawan Goenka*				3	3	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Vikram Singh Mehta				3	3	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
% of attendance at a Meeting	100%	100%	100%			

 Attended through video conference

* Ceased to be a Director and thereby Member of the Committee with effect from 2nd April, 2021.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Activities of the Committee during the year	Frequency
Considered and recommended to the Board the appointment of Business Responsibility Head of the Company	E
Reviewed the Company's Business Responsibility Performance and the projects and programs under Corporate Social Responsibility Projects of the Company	P
Considered and recommended to the Board Business Responsibility Report and Corporate Social Responsibility Report of the Company for approval and inclusion in the Annual Report of the Company	A
Considered and approved offset of additional contribution made to PM CARES Fund on 31 st March, 2020 over and above the mandatory CSR obligation under section 135(5) of the Companies Act, 2013 for Financial Year 2019-20	E
Considered and approved amendment in the CSR Policy of the Company and recommended to the Board	P
Noted the amendments in the CSR Provisions from time to time	E
Noted changes in the constitution of the CSR Committee	E
Noted amendments in the Charter of the CSR Committee	E
Considered and recommended to the Board Annual Action Plan of the Company for the next financial year	A

Frequency E Event based A Annually P Periodically

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 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 was headed by Dr. Pawan Goenka. The other Members are Mr. T. N. Manoharan, Ms. Shikha Sharma, Dr. Anish Shah, Mr. Rajesh Jejurikar, Mr. Vikram Singh Mehta and Mr. Haigreave Khaitan.

During the year, Dr. Anish Shah and Mr. Rajesh Jejurikar were appointed as Members of the Committee with effect from 1st April, 2020 and Mr. Vikram Singh Mehta and Mr. Haigreave Khaitan were appointed as Members of the Committee with effect from 8th August, 2020. Mr. Nadir B. Godrej and Mr. M. M. Murugappan ceased to be Members of the Committee with effect from 8th August, 2020 upon cessation as Directors of the Company. Subsequent to the year end, Dr. Pawan Goenka ceased to be a Member and Chairman of the Committee with effect from 2nd April, 2021 and Dr. Anish Shah was appointed as Chairman of the Committee with effect from that date.

Subsequent to the year end, the terms of reference of the Committee was amended pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second

Amendment) Regulations, 2021 effective from 6th May, 2021, which, *inter alia*, cover:

1. Formulation of a detailed risk management policy which shall include:
 - a. framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by RMC;
 - b. Measures for risk mitigation including systems and processes for internal control of identified risks; and
 - c. Business continuity plan.
2. Ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company.
3. Monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems.
4. Periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
5. Keeping the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken.
6. Reviewing the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

The Committee met thrice during the year under review on 6th August, 2020, 9th November, 2020 and 25th March, 2021. The attendance at the Meetings was as under:

Risk Management Committee Meeting

Name of the Directors	Committee Meetings					
	1	2	3	Held during tenure	Attended	% of attendance of a Member
	6 th August, 2020	9 th November, 2020	25 th March, 2021			
Dr. Pawan Goenka (Chairman)*				3	3	100%
^Dr. Anish Shah**				3	3	100%
Mr. Rajesh Jejurikar**				3	3	100%
Mr. T. N. Manoharan				3	3	100%
Ms. Shikha Sharma				3	3	100%
Mr. Vikram Singh Mehta***	N.A.			2	2	100%
Mr. Haigreve Khaitan***	N.A.			2	1	50%
Mr. Nadir B. Godrej****		N.A.	N.A.	1	1	100%
Mr. M. M. Murugappan****		N.A.	N.A.	1	1	100%
% of attendance at a Meeting	100%	100%	86%			

Attended through video conference
 Leave of Absence

* Ceased to be a Director and thereby Member and Chairman of the Committee with effect from 2nd April, 2021.

** Appointed as Member of the Committee with effect from 1st April, 2020.

^ Appointed as Chairman of the Committee with effect from 2nd April, 2021.

*** Appointed as Member of the Committee with effect from 8th August, 2020.

**** Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2020.

RISK MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Activities of the Committee during the year	Frequency
Reviewed and approved the Enterprise Risk Management Framework of the Company	
Reviewed assessment and mitigation of risks arising due to COVID-19, covering manufacturing constraints and supply chain disruptions, macro impact, short term and medium term impact	
Reviewed the Risk Certificate covering risk management measures and controls and made recommendation to the Audit Committee and the Board	
Monitored and reviewed Risk Management Plan including Cyber Security, Geopolitical Risks, and Related Risks and made recommendation to the Audit Committee and the Board	
Reviewed the Risk Management Report, Risk Mitigation Measures as prescribed under the Risk Management Policy alongwith Extreme Risks their impact, likelihood and exposure and presented the same to the Audit Committee and the Board	
Reviewed the risks for the financial year and presented the same to the Audit Committee and the Board	

Frequency Annually Periodically

F. Research & Development Committee (A voluntary initiative of your Company - wound-up with effect 8th August, 2020)

The Research & Development ("R&D") Committee, which was constituted by the Board in 1998, provided direction on the R&D mission and strategy and key R&D and technology issues. The Committee reviewed and made 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 was the Chairman of the Committee. Mr. Anand G. Mahindra, Dr. Pawan Goenka and Mr. Nadir B. Godrej were the other Members of the Committee.

The Committee met once during the year under review on 11th June, 2020 which was attended by all the Members.

The Board observed that the R&D activities had matured over a period of time and as the R&D processes were streamlined, dissolved the Committee with effect from 8th August, 2020.

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. Vikram Singh Mehta, Mr. T. N. Manoharan, Ms. Shikha Sharma and Mr. Vijay Kumar Sharma are other Members of the Committee. Mr. Nadir B. Godrej ceased to be a Member of the Committee with effect from 8th August, 2020 upon cessation as a Director of the Company.

Apart from the Committee Members, the Committee Meetings are also invariably attended by the other Directors as Invitees.

The Committee met five times during the year under review on 11th June, 2020, 6th August, 2020, 9th November, 2020, 4th February, 2021 and 25th March, 2021. The attendance at the Meetings was as under:

Strategic Investment Committee Meeting								
Name of the Directors	Committee Meetings					Held during tenure	Attended	% of attendance of a Member
	1	2	3	4	5			
	11 th June, 2020	6 th August, 2020	9 th November, 2020	4 th February, 2021	25 th March, 2021			
Mr. Anand G. Mahindra (Chairman)						5	5	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Nadir B. Godrej*			N.A.	N.A.	N.A.	2	2	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Vikram Singh Mehta						5	5	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. T. N. Manoharan						5	5	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Ms. Shikha Sharma						5	5	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Vijay Kumar Sharma						5	5	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
% of attendance at a Meeting	100%	100%	100%	100%	100%			

Attended through video conference

* Ceased to be a Director and thereby Member of the Committee with effect from 8th August, 2020.

STRATEGIC INVESTMENT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Activities of the Committee during the year	Frequency
Considered, reviewed and approved significant investments/funding to be made by the Company including acquisitions of Business and taking note of outstanding debt and recommended to the Board	Q / P
Monitored and reviewed the existing investments in subsidiaries, Joint Ventures and other group entities including overseeing the performance of various sectors/companies	Q / P
Considered and reviewed proposed divestments of the subsidiaries, Joint Ventures and other group entities and made suitable recommendations to the Board	P

Frequency **Q** Quarterly **P** Periodically

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. Vikram Singh Mehta, Mr. Haigreva Khaitan and Ms. Shikha Sharma. Subsequent to the year end, Dr. Pawan Goenka ceased to be a Member of the Committee with effect from 2nd April, 2021 and Dr. Anish Shah was appointed as Member of the Committee with effect from that date.

Apart from the Meetings, Circular Resolution(s) is/ are also passed by the Members. Subsequently, these Resolution(s) are noted in the Meeting held after the date on which the Circular Resolution(s) is/are passed by the Members.

The Committee met eight times during the year under review on 9th April, 2020, 17th April, 2020, 23rd April, 2020, 5th June, 2020, 18th July, 2020, 6th August, 2020, 9th November, 2020 and 12th January, 2021. The attendance at the Meetings was as under:

Loans & Investment Committee Meeting

Name of the Directors	Committee Meetings								Held during tenure	Attended	% of attendance of a Member
	1	2	3	4	5	6	7	8			
	9 th April, 2020	17 th April, 2020	23 rd April, 2020	5 th June, 2020	18 th July, 2020	6 th August, 2020	9 th November, 2020	12 th January, 2021			
Mr. Anand G. Mahindra (Chairman)									8	8	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Dr. Pawan Goenka*									8	8	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Vikram Singh Mehta									8	8	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Mr. Haigreve Khaitan									8	8	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
Ms. Shikha Sharma									8	8	<div style="width: 100%;"><div style="width: 100%;"></div></div> 100%
% of attendance at a Meeting	100%	100%	100%	100%	100%	100%	100%	100%			

Attended through video conference

* Ceased to be a Director and thereby Member of the Committee with effect from 2nd April, 2021.

LOANS & INVESTMENT COMMITTEE REPORT FOR THE YEAR ENDED 31ST MARCH, 2021

Activities of the Committee during the year	Frequency
Reviewed and approved issuance of corporate guarantees in favour of Bank/Financial Institutions to secure financial assistance to be availed of by subsidiary company(ies)	P
Approved raising of funds by way of issuance of Non-Convertible Debentures	P
Considered and approved investments in and/or providing financial assistance to various subsidiaries, Joint Ventures and other group entities within the parameters as approved by the Board	P
Considered and recommended to the Board additional investments in and/or providing financial assistance to various subsidiaries, Joint Ventures and other group entities	P

Frequency **P** Periodically

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, 2021.

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. This Policy has been posted on the website of the Company and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

B. Policy on Materiality of and Dealing with Related Party Transactions

Your Company has formulated a Policy on Materiality of and Dealing with Related Party Transactions which specify the manner of entering into related party transactions. This Policy has also been posted on the website of the Company and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

C. Disclosure of Transactions with Related Parties

During the Financial Year 2020-21, 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.

In addition, as per the Listing Regulations, your Company has also submitted within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results and also published it on the website of the Company.

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' which, *inter alia*, includes Policy for determination of "Legitimate Purpose" and 'Code of Conduct for Prevention of Insider Trading in Securities of Mahindra & Mahindra Limited' ("M&M Code of Conduct") in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("the Regulations").

M&M Code of Conduct has been formulated to regulate, monitor and ensure reporting of trading by the 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. During the year under review, the M&M Code of Conduct was amended in line with the amendments brought in the Regulations by SEBI.

F. Policy and procedure for inquiry in case of leak/suspected leak of Unpublished Price Sensitive Information

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 Code of Conduct, Whistleblower and other Governance Policies and the Vigil Mechanism frameworks.

The Company has taken adequate measures to create awareness amongst its employees on the Code of Conduct and Governance Policies through regular face to face/virtual learning sessions and roll out of e-module learning and compliance modules.

The Company has provided a third-party helpline as well as web portal to all stakeholders to raise any Ethics complaints. The helpline is provided by Convercent, a Global service provider.

- Helpline No: 000 800 100 4175
- Url: <https://ethics.mahindra.com/>

Direct complaints can also be raised to the Chairman of the Audit Committee through the third party web portal at the link mentioned above or by sending an email 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 provides for reporting of insider trading violations and reporting of instances of leak of Unpublished Price Sensitive Information by the employees.

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.

The Policy provides for adequate safeguards against victimization of persons who use the mechanism. During the course of the year these processes and systems have been standardized and further strengthened.

The Whistleblower Policy of the Company is available on the website of the Company and can be accessed in the Governance section at the Web-link <https://www.mahindra.com/investors/reports-and-filings>.

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.

■ Financial Results:

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.

■ Other Information:

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). The information to the Stock Exchanges located outside India is filed through electronic means or other permissible means.

■ Analyst/Institutional Investors Presentations

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 presentation on the Financial Results of the Company made to the Analyst and Institutional Investors are also disseminated to the Stock Exchanges. 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.

FAQs for 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 viz. <https://www.mahindra.com/investors/reports-and-filings>.

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://kprism.kfintech.com/investor/query/Correspondence.aspx>.

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 "Click here to track your query" on right hand corner of above website. 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: <https://www.mahindra.com/investors/reports-and-filings>.

KPRISM Mobile service application by KFinTech

Members are requested to note that Kfin Technologies Private Limited (KFinTech) has launched a mobile application- KPRISM and a website <https://kprism.kfintech.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 KFinTech, 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.kfintech.com/app/> to download the mobile application.

VIII. GENERAL SHAREHOLDER INFORMATION

Pursuant to Circular issued by Ministry of Corporate Affairs ('MCA') dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively read with MCA General Circular No. 02/2021 dated 13th January, 2021, and SEBI's Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, read with SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 companies are allowed to conduct their AGM through video conferencing (VC) or other audio visual means (OAVM) for the calendar year 2021. Accordingly, your Company will be conducting the AGM through VC/OAVM facility. Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM, and this mode will be available throughout the proceedings of the AGM.

In addition to conducting the AGM through VC/OAVM, the Company would also be providing one-way live webcast of the proceedings of the AGM. Members who are entitled to participate in the AGM can view the proceedings of AGM by logging on the e-voting website of KFinTech at <https://emeetings.kfintech.com> using their secure login credentials.

During the live AGM, Members may post their queries in the message box provided on the screen or may submit questions in advance on the email ID of the Company investors@mahindra.com.

In case of any query and/or help, in respect of attending AGM through VC/OAVM, Members may refer to the Help & Frequently Asked Questions (FAQs) and VC/OAVM user manual available at the download Section of <https://evoting.kfintech.com> (KFinTech Website) or contact at investors@mahindra.com, or Ms. Sheetal Doba, Manager-Corporate Registry, KFinTech at Selenium, Tower B, Plot No. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad, Telangana – 500 032 or at the email ID evoting@kfintech.com or on phone No.: 040-6716 1509 or call KFinTech's toll free No.: 1800-3094-001 for any further clarifications.

1. 75th Annual General Meeting

Date : 6th August, 2021
Time : 3:00 p.m. (IST)
Venue : Meeting through VC/OAVM

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, 17th July, 2021 to Friday, 6th August, 2021, both days inclusive and the Dividend would be paid after 6th August, 2021.

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 (NCDs) 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 Anonyme/R.C.B. 6222, B.P. 165, L-2011, Luxembourg.	Global Depository Receipts (GDRs)	USY541641194

Name and Address of the Exchanges	Type of Security/ Scrip Code	International Securities Identification Number (ISIN)
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
	Non-Convertible Debentures/959445/ Scrip ID: 665MML23	INE101A08096
	Non-Convertible Debentures/ 959446/Scrip ID: 678MML23	INE101A08104
	Non-Convertible Debentures/ 959586/Scrip ID: 619MML25	INE101A08112

5. List of all Credit Ratings obtained by the Company along with revisions for the FY 2020-21

The credit ratings obtained by the Company along with revisions, if any, thereto during the Financial Year 2020-21, for all the debt instruments, fixed deposit programme, any scheme or proposal of the Company involving mobilisation of funds, in India or abroad are given below:

Instrument Details	Rating(s)			
	CARE	CRISIL	ICRA	India 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+	–	–

The above ratings have been assigned/ affirmed/ re-affirmed by the Credit Rating Agencies for the financial year ended 31st March 2021.

6. Corporate Identity Number: L65990MH1945PLC004558

7. Registered Office Address

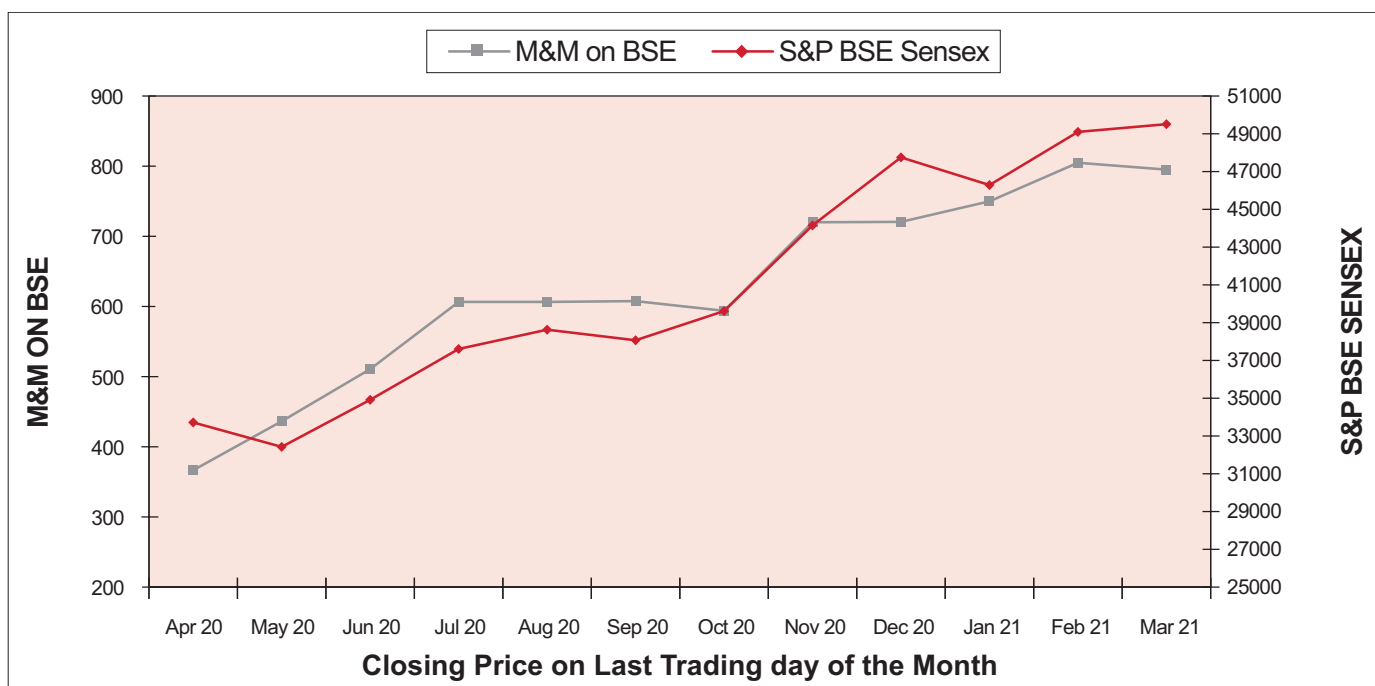
Mahindra & Mahindra Limited
Gateway Building, Apollo Bunder,
Mumbai – 400 001.

8. Stock Price Data

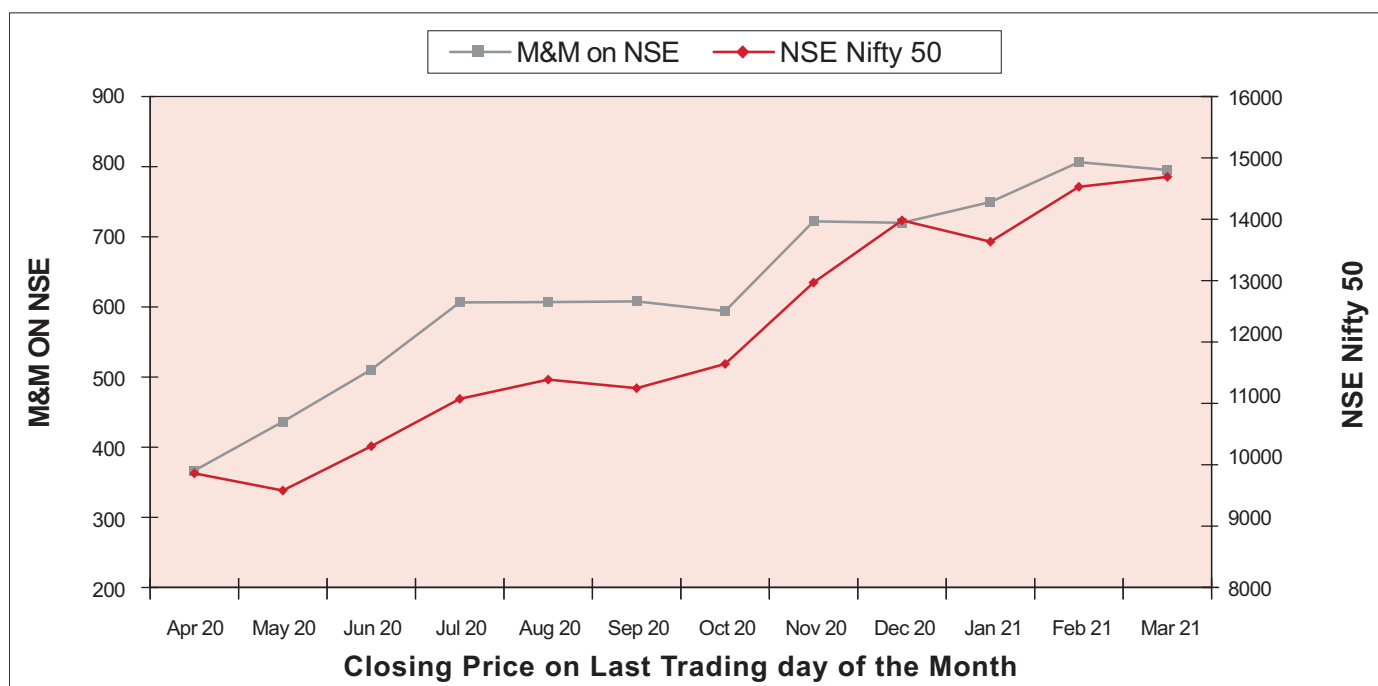
Month	Equity Shares				GDRs	
	BSE Limited		National Stock Exchange of India Limited		Luxembourg Stock Exchange	
	High	Low	High	Low	High	Low
	Rs.	Rs.	Rs.	Rs.	US\$	US\$
April, 2020	395.00	265.55	391.65	265.50	5.00	3.62
May, 2020	449.50	341.10	450.00	341.10	5.82	4.76
June, 2020	527.40	440.25	527.65	441.50	6.84	6.10
July, 2020	624.90	494.50	625.80	494.25	8.28	6.62
August, 2020	648.55	595.30	648.60	594.20	8.62	7.94
September, 2020	666.35	566.00	666.60	567.50	8.90	7.76
October, 2020	647.45	587.30	647.45	586.80	8.66	7.96
November, 2020	745.00	590.00	745.50	589.00	9.88	8.00
December, 2020	764.10	660.00	764.45	660.25	10.25	9.28
January, 2021	843.70	723.40	843.85	723.00	11.35	10.10
February, 2021	952.15	741.35	952.05	741.55	12.75	10.90
March, 2021	876.45	783.25	876.20	783.00	11.85	10.80

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

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
Unit: Mahindra & Mahindra Limited
Selenium, Tower B, Plot No. 31-32,
Gachibowli, Financial District,
Nanakramguda, Hyderabad.
Telangana -500032, India.
Tel. No. : +91 40 6716 2222
Fax : +91 40 2342 0814
Email : einward.ris@kfintech.com
Website : www.kfintech.com
Toll Free No. : 1800 3094 001

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 issue of duplicate share certificates and attend to Shareholders' grievances, etc.

Pursuant to Regulation 40 of Listing Regulations no requests for effecting transfer of securities have been processed unless the securities are held in the dematerialised 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.

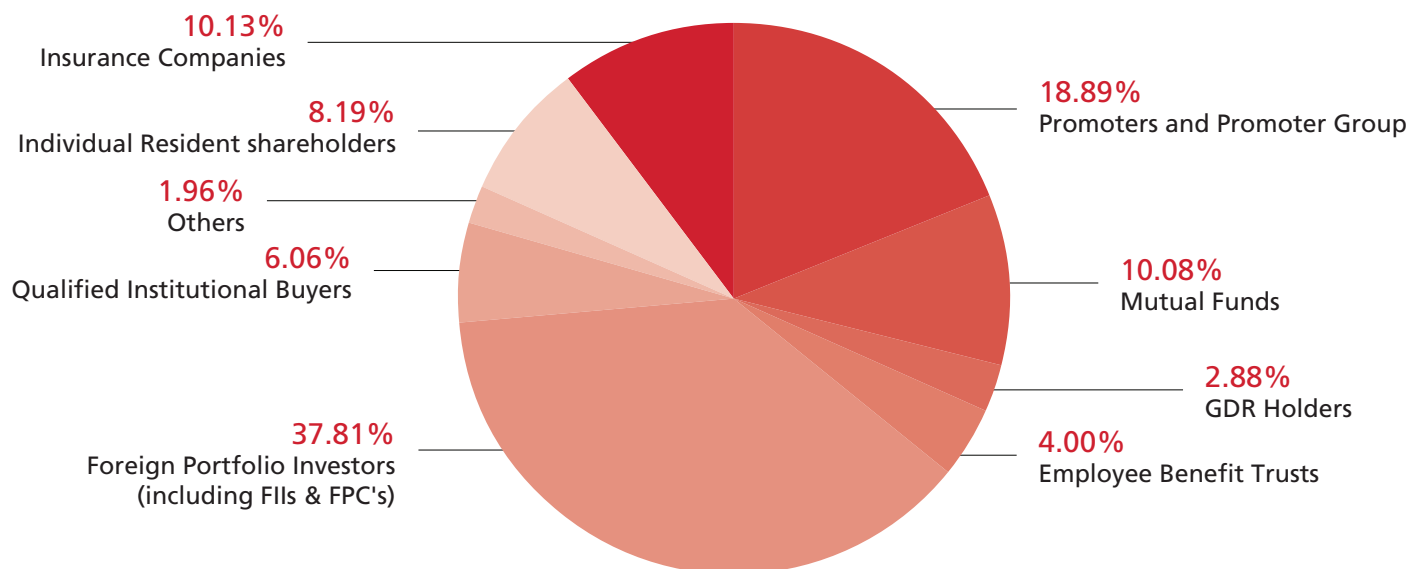
The Shareholders holding shares in physical form are requested to get their shares dematerialised at the earliest to avoid any inconvenience in future while transferring the shares. Shareholders are accordingly requested to get in touch with any Depository Participant having registration with SEBI to open a Demat account 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.html> for further understanding of the demat procedure.

12. Distribution of Shareholding as on 31st March, 2021

Number of Shares held	Number of Shareholders*	Number of Shares held	% of Shareholding
1 to 1,000	4,41,310	3,45,64,795	2.78
1,001 to 2,000	7,501	1,10,30,596	0.89
2,001 to 10,000	7,096	2,97,13,776	2.39
10,001 to 20,000	948	1,33,64,881	1.07
20,001 and above	1,514	1,15,45,18,496	92.87
Total	4,58,369	12,43,19,25,44	100.00

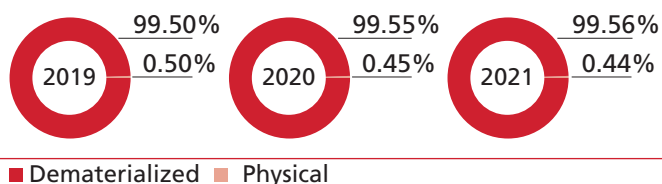
* Without consolidating the folios on the basis of PAN

13. Category wise shareholding as of 31st March, 2021



14. Dematerialisation of Shares and Liquidity

99.56% 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, 2021. 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, 2021 is around 81.11% and the stock is highly liquid.



15. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely impact on Equity

3,58,41,803 GDRs were outstanding as on 31st March, 2021. 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, 2021.

16. Commodity price risk or Foreign Exchange Risk & hedging activities

The Financial Year 2020-21 witnessed a sharp rise in prices of all the commodities with major increase in sheet metal, castings and forgings on account of pandemic breakout and sharp recovery thereafter. Despite sharp increase in raw material prices your company stayed focused on cost reduction through measures like VAVE, negotiation with suppliers, long term price contracting, etc.

Your Company continues to watch the market situation closely and continues to focus on mitigating commodity price volatility through "Commodity Risk Management" and other cost reduction measures. Hedging of currencies and commodities 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 are 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 No. 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. 5,101 crores

(b) Exposure of the listed entity to various commodities:

Commodity Name	Exposure towards the particular commodity (Rs Crs)*	F21 Exposure in Quantity terms towards the particular commodity (tons)#	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Flat Steel (Sheet Metal)	2,326	4,73,073	Nil	Nil	Nil	Nil	Nil
Casting	1,271	3,75,064	Nil	Nil	Nil	Nil	Nil
Alloy Steel (Forging)	1,504	2,64,571	Nil	Nil	Nil	Nil	Nil

As per Actual F21 Volumes

* As per average prices of FY21

(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.

17. Plant Locations

Your Company's manufacturing facilities are located at Kandivali, Nashik, Igatpuri, Nagpur, Chakan, Zaheerabad, Jaipur, Rudrapur, Haridwar, Mohali and Pithampur.

18. Address for correspondence

Shareholders may correspond with the Registrar and Transfer Agents at:

KFin Technologies Private Limited
(formerly known as Karvy Fintech Private Limited)
Unit: Mahindra & Mahindra Limited
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@kfintech.com
Website : www.kfintech.com
Toll Free No. : 1800 3094 001

for all matters relating to transmission/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:

KFin Technologies Private Limited
(formerly known as 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

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. KFin Technologies 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>.

19. 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.in;
complaints@axistrustee.in.

20. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account

In terms of Regulation 39 of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Particulars	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, 2020	2,493	5,77,914
Less: Number of Shareholders who approached the Company for transfer of shares from suspense account (which number is same as the shares transferred from suspense account during the year)	7	4,888
Aggregate number of Shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2021	2,486	5,73,026

The voting rights on the shares in the suspense account shall remain frozen till the rightful owners claim the shares.

21. Management Discussion and Analysis Report

Management Discussion and Analysis Report forms part of this Annual Report.

22. 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) of the Listing Regulations in the respective places in this Report.

23. 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.

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
2012-13	13 th August, 2013	2,24,75,830.00	25 th September, 2020
2019-20*	7 th August, 2020	49,07,998.95	10 th August, 2020

* Dividend on shares which are transferred to IEPF.

Shares transferred/ credited to IEPF

During the year 2020-21, the Company transferred 60,436 Ordinary (Equity) Shares to IEPF Authority corresponding to unclaimed dividend for the year 2012-13. The IEPF Authority holds 23,39,941 Ordinary (Equity) Shares in the Company as on 31st March, 2021.

Pursuant to IEPF Rules, given below are the Ordinary (Equity) Shares transferred to and released from 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
Total number of shares held by IEPF as on 31 st March, 2018	22,00,468
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
Transferred to IEPF during the year 2019-20	62,079
Released from IEPF during the year 2019-20	31,012
Total number of shares held by IEPF as on 31 st March, 2020	22,92,887
Transferred to IEPF on 8 th April 2020	30
Total number of shares held by IEPF as on 8 th April, 2020	22,92,917
Transferred to IEPF during the year 2020-21	60,436
Released from IEPF during the year 2020-21	13,412
Total number of shares held by IEPF as on 31 st March, 2021	23,39,941

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>.

Further, the Company has also appointed Deputy Nodal Officers to assist the Nodal Officer to, *inter alia*, verify the claim(s) and co-ordinate with the IEPF Authority.

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st March, 2020 on the Company's website at the web link: <https://www.mahindra.com/investors/reports-and-filings> and on the website of the Ministry of Corporate Affairs at www.iepf.gov.in/.

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, 2021)
2013-14	8 th August, 2014	8 th September, 2021	3,23,92,850.00
2014-15	7 th August, 2015	9 th September, 2022	2,22,76,812.00
2015-16	10 th August, 2016	9 th September, 2023	3,15,56,172.00
2016-17	4 th August, 2017	3 rd September, 2024	3,07,59,495.00
2017-18	7 th August, 2018	6 th September, 2025	2,63,77,957.50
2018-19	7 th August, 2019	6 th September, 2026	3,20,46,198.50
2019-20	7 th August, 2020	7 th September, 2027	84,62,863.30

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. Separate posts of Chairman and CEO

Your Company has separate posts of Chairman and CEO. Whilst Mr. Anand G. Mahindra is the Executive Chairman, Dr. Pawan Goenka, was the Managing Director and CEO of the Company upto 2nd April, 2021 and Dr. Anish Shah who was Deputy Managing Director and Group Chief Financial Officer has taken over as Managing Director and Chief Executive Officer of the Company with effect from 2nd April, 2021.

Mr. Anand G. Mahindra will transition to the role of Non-Executive Chairman with effect from 12th November, 2021.

3. 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.

4. Details of utilisation of funds of Preferential Allotment/QIP

The Company has not raised funds through Preferential Allotment/QIP during the year under review.

5. 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, 2021 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.

6. Total fees for all services paid to the Statutory Auditors by the Company and its Subsidiaries for the Financial Year 2020-21

Total fees paid by the Company and its Subsidiaries on a consolidated basis, to the Statutory Auditor viz. BSR & 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	7.42
Other Services	3.65
Reimbursement of expenses	0.15
Total	11.22

7. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the Financial Year 2020-21 is as under:

- (a) Number of complaints filed during the financial year under review : 7
- (b) Number of complaints disposed of during the financial year under review : 5
- (c) Number of complaints pending as on end of the financial year : 2

8. 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
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.
2019*	7 th August, 2019	3:00 p.m.	1. Re-appointment of Dr. Vishakha N. Desai as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term commencing from 8 th August, 2019 to 30 th April, 2024.
			2. Re-appointment of Mr. Vikram Singh Mehta 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 8 th August, 2019 to 7 th August, 2024.
2020**	7 th August, 2020	3:00 p.m.	1. Re-designation of Dr. Pawan Goenka (DIN: 00254502), as "Managing Director and Chief Executive Officer" with effect from 1 st April, 2020, revision in the remuneration payable to him with effect from 1 st August, 2020 upto 11 th November, 2020 and re-appointment as "Managing Director and Chief Executive Officer" of the Company with effect from 12 th November, 2020 to 1 st April, 2021.
			2. Appointment of Dr. Anish Shah (DIN: 02719429), as Whole-time Director designated as "Deputy Managing Director and Group Chief Financial Officer" from 1 st April, 2020 to 1 st April, 2021 and as the Managing Director of the Company designated as "Managing Director and Chief Executive Officer" with effect from 2 nd April, 2021 to 31 st March, 2025.
			3. Appointment of Mr. Rajesh Jejurikar (DIN: 00046823), as Whole-time Director designated as "Executive Director (Automotive and Farm Sectors)" for a period of 5 years with effect from 1 st April, 2020 to 31 st March, 2025.

* The above Meetings were held at Birla Matushri Sabhagar, 19, Sir Vithaldas Thackersey Marg (New Marine Lines), Mumbai – 400 020.

** In compliance with the provisions of the Ministry of Corporate Affairs ("MCA") General Circular No. 20/2020 dated 5th May, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated 8th April, 2020 and 13th April, 2020 respectively, and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, the Company conducted the AGM through Video Conferencing /Other Audio Visual Means ("VC"/"OAVM").

Further, in accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated 15th April, 2020 issued by the ICSI, the proceedings of the AGM are deemed to be conducted at the Registered Office of the Company being the deemed venue of the AGM.

POSTAL BALLOT

During the year, the Members of the Company approved by way of Special Resolution through Postal Ballot (through remote e-voting mechanism) Transfer/Dilution of Stake in SsangYong Motor Company, a Material Subsidiary of the Company ("SYMC") and/or cessation of control of the Company over SYMC.

In view of the massive outbreak of COVID-19 pandemic requiring social distancing, Ministry of Corporate Affairs vide its General Circulars No.14, 17 & 22/2020 dated 8th April, 2020, 13th April, 2020 and 15th June, 2020, respectively ("MCA Circulars"), had advised the companies to take all decisions requiring members' approval, other than items of ordinary business or business where any person has a right to be heard, by way of postal ballot through remote e-voting mechanism in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of Members at a common venue.

In compliance with the requirements of above MCA Circulars, the aforesaid Resolution was proposed to be passed by means of Postal Ballot and the Hard copy of Postal Ballot Notice along with Postal Ballot Form and pre-paid business reply envelope were not sent to the Members for the said Postal Ballot and the Members were requested to communicate their assent or dissent through remote e-voting system only.

The Board had appointed Mr. Sachin Bhagwat, Practicing Company Secretary (ICSI Membership No. ACS 10189) and failing him Mr. Prashant Vaishampayan, Practicing Company Secretary (ICSI Membership No. FCS 4251), as Scrutiniser to scrutinise votes cast electronically in a fair and transparent manner.

Further, in compliance with the provisions of sections 108 and 110 of the Act read with Rule 20 and 22 of the Rules, as amended and the provisions of Regulation 44 of the Listing Regulations, Members were provided with the facility to cast their votes electronically, through the e-voting services provided by KFin Technologies Private Limited, Registrar & Transfer Agent of the Company ('KFin') on the resolution set forth in this Notice of Postal Ballot, through remote e-voting.

Details of Voting of the above Resolution are as under:

Particulars	Percentage of total e-votes	Result
Votes in favour of the Resolution	98.7665	Passed with requisite majority
Votes against the Resolution	1.2335	
Total	100	

Procedure adopted for Postal Ballot:

- The Notice of the Postal Ballot dated 7th August, 2020 containing the Draft Resolution and Explanatory Statement, were emailed on 12th August, 2020 to those Members whose names appeared on the Register of Members/List of Beneficial Owners as received from National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") as on Friday, 7th August, 2020 ("cut-off date") and were sent only in electronic mode to those Members whose e-mail addresses were registered with the Company or KFin or the Depository Participant(s). The details of E-Voting Event Number ("EVEN"), User ID and Password were emailed by KFin to those Members whose e-mail IDs were registered with the Company/Depository Participant(s). The Notice also specified the procedure for registering the email addresses and obtaining the Notice of Postal ballot and remote e-voting instructions by the Members whose email addresses were not registered with the depositories.
- The advertisement was published in the Newspapers (including e-Newspapers) viz. 'Business Standard' (English) and 'Sakal' (Marathi) on 13th August, 2020 giving the requisite details as per the provisions of the Act and Secretarial Standard - 2.
- The remote voting period began on Friday, 14th August, 2020 at 9:00 a.m. (IST) and ended on Saturday, 12th September, 2020 at 5:00 p.m. (IST).
- The Scrutinizer submitted his Report on 12th September, 2020 and the resolution was deemed to have been passed on the last date of remote e-voting i.e. on Saturday, 12th September, 2020.

No Extraordinary General Meeting was held during the past 3 years.

No Special Resolution(s) requiring a Postal Ballot is being proposed at the ensuing AGM of the Company.

DECLARATION UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To

The Members of Mahindra & Mahindra Limited

I, Anish Shah, Managing Director and Chief Executive Officer 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, 2021.

Mumbai, 28th May, 2021

Anish Shah
Managing Director and Chief Executive Officer

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 addendum to the engagement letter dated 21 September 2018.
2. We have examined the compliance of conditions of Corporate Governance by **Mahindra & Mahindra Limited**, for the year ended 31 March 2021, as stipulated in regulations 17 to 27, clauses (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 Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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 2021.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion and to the best of our information and according to the 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 of enabling the Company to comply with the requirement of the Listing Regulations and 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

Place: Mumbai
Date: 28 May 2021

Membership No: 102527
UDIN: 21102527AAAAAX9314

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, 2021 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: 28 May, 2021

Signature:

CS SACHIN BHAGWAT
Membership No.: A 10189
C. P. No.: 6029
UDIN: A010189C000382682



**BUSINESS
RESPONSIBILITY
REPORT**

Business Responsibility Report

For the Financial Year 2020-21

[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 : 01.04.2020 to 31.03.2021
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: 38
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)	: 45,041 crores
Total profit after taxes (INR)	: 269 crores
Total Spending on Corporate Social Responsibility (CSR) (INR) as percentage of profit after tax (%)	: 92.78 crores* As per section 135 of the Companies Act, 2013, the CSR spend is 2% 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

* excludes a set off of Rs. 20 crores claimed in F21 for contributions made by the Company to the PM Cares Fund on 31st March, 2020

Section C: Other details

1. Does the Company have any Subsidiary Company/ Companies?
Yes, the Company has 181 Subsidiary companies as on 31st March, 2021.
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.
For the year 2020-21, Sustainability initiatives have been implemented at 16 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 Intertrade Limited
 13. Mahindra Steel Service Centre Limited
 14. Mahindra Logistics Limited
 15. Mahindra Heavy Engines Limited
 16. 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%]

Yes.

- The percentage of suppliers that participate in the BR initiatives is more than 60%.
- A majority of supplier base have been covered by conducting awareness sessions on 'sustainability'.
- Total of 606 suppliers were covered in the 'Sustainability' awareness session.
- In F-21, 4 online webinars were conducted on different topics for sustainability awareness which includes National Motor replacement program along with Institute of sustainable communities (ISC).
- 144 strategic Suppliers have actively participated in the Annual Supplier meet conducted in F21.

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 (ceased as MD & CEO of the Company consequent to his term coming to an end from close of 1 st April 2021)
Designation	: Managing Director and Chief Executive Officer

Upon cessation of Dr. Pawan Kumar Goenka as the Director of the Company, Dr. Anish Shah, Managing Director and Chief Executive Officer has been appointed as the Director responsible with effect from 2nd April, 2021 for implementation of the BR Policies.

b) Details of the BR Head

Sr. No.	Particulars	Details
1.	DIN Number (If applicable)	NA
2.	Name	Mr. Rajeshwar Tripathi
3.	Designation	Chief Human Resources Officer - Auto and Farm Sectors, M&M Ltd.
4.	Telephone Number	+9122 2884 9702
5.	Email ID	tripathi.rajeshwar@mahindra.com

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The Business Responsibility Policy ("BR Policy") addressing the following 9 principles as per the National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs), duly approved by Board, is in place. This policy is operationalized and supported by various other policies, guidelines and manuals.

- P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3: Businesses should promote the wellbeing of all employees.
- P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5: Businesses should respect and promote human rights.
- P6: Business should respect, protect, and make efforts to restore the environment.
- P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8: Businesses should support inclusive growth and equitable development.
- P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Ethics and Transparency	Product Responsibility	Wellbeing of employees	Responsiveness to Stakeholders	Respect Human Rights	Environmental Responsibility	Public policy advocacy	Support inclusive growth	Engagement with Customer
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 can be accessed in the Governance section at the Weblink <https://www.mahindra.com/investors/reports-and-filings>.

Note 5 – The Company has a "Ethics & Governance 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?

Yes.

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 2019-20 is accessible on the Company's Website at the hyperlink <https://www.mahindra.com/resources/pdf/sustainability/Mahindra-Sustainability-Report-2019-20.pdf>

The Sustainability Report for 2020-21 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 related to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?

Yes.

- 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.
- The Company has a Policy on Anti-Bribery and Anti-Corruption which is listed on the Company's website. The Policy covers all stakeholders of the Company.

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, 11 investor complaints were received by the Company, all of which were attended to/resolved till date. These complaints pertain to non – receipt of dividend, non-receipt of shares, 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

<ol style="list-style-type: none"> 1. Passenger Vehicles (UV/ MPV/ Cars) 	<p>Thar</p> <ul style="list-style-type: none"> • Debuts All-New BS6 compliant range of petrol and diesel powertrains. Offering significant improvement in performance and efficiency. • Low rolling resistance All-Terrain Tyres 255/65 R18. • World class safety with new generation architecture, ESP, ABS, Airbags, ISOFIX, E-Call & DRLs. • Improved manufacturing and paint processes. • Lower CO₂ impact and improved operation efficiencies with new generation of engines. • First-in-Segment ESP with Rollover Mitigation and Vehicle Dynamics Control reduces instances of road accidents and ensuring occupant safety. • ISOFIX rear seats offers child protection. • Pedestrian safe impact zones protect vulnerable road users in the event of accidents. • Automated Emergency Call function reduces time to locate and contact emergency response services. • Hill Hold & Hill Descent control adds a layer of safety for young drivers. • Bright daytime running lights adds visibility to other road users.
---	--

	<p>XUV300</p> <ul style="list-style-type: none"> XUV 300 received the highest combined safety score from Global NCAP, with the highest, 5-star Adult Safety Rating and becoming India's only vehicle to receive 4 Star Child Safety Rating. XUV300 is India's Safest vehicle, tested by Global NCAP in last 6 years. Only vehicle in India to receive the 'Safer Choice' recognition by Global NCAP for meeting pedestrian protection requirements. Technology leader that brings segment-first, safety-enhancing features (continuously raising the bar). Making Indian roads safer for drivers by providing vehicles designed to meet global standards of safety. Bring the road safety narrative mainstream, thereby raising awareness in the society through its communication & outreach efforts on safety.
	<p>Marazzo BSVI</p> <ul style="list-style-type: none"> Marazzo's Front Wheel Drive, Electric Power Steering and short Turning Radius of 5.25 m provides easy manoeuvrability in traffic conditions. Marazzo BS6 offers a best-in-class Standard Warranty of 5 Years /1,00,000 km. 4-star rating in adult safety from Global NCAP. Marazzo comes with best-in-class shoulder room in the 1st/2nd row and best-inclass leg room in the 3rd row.
2. Light Commercial Vehicles	<p>New Treo Zor Electric 3-Wheeler Cargo</p> <ul style="list-style-type: none"> Treo Zor come in 3 variants – Pickup, Delivery Van and Flat Bed. Treo platform demonstrates M&M's commitment to Atma Nirbhar Bharat and make in India with its in-house designed, developed & manufactured next gen technologies. Higher savings of ₹60,000+/year versus existing diesel cargo 3-wheelers, Fuel cost savings of Rs. 2.10/km when compared with diesel cargo 3 wheelers and Lowest maintenance cost of just 40 paisa v/s 65 paisa for a diesel 3-wheeler. Ease of charging by plug it into any 15AMP socket! Also offers cloud-based connectivity to remotely monitor vehicle range, speed, location and much more.

	<p>BS VI Supro Ambulance</p> <ul style="list-style-type: none"> The Supro Ambulance comes with an exceptional warranty of 2 years/ 60,000 kms. The ambulance is equipped with AIS 125 certified retro reflective decals, 75% frosted windows, and a beacon light with a siren. The launch of Supro Ambulance to support medical care takers to move people safely and in time, is a clear testimony for Mahindra. Supro Ambulance is being used by several government organizations, NGOs and hospitals to battle the Covid-19 pandemic.
	<p>BS6 variants of Alfa</p> <ul style="list-style-type: none"> Alfa brand with its most efficient performance in its category, offers a range of passenger & cargo variants with 3 offerings catering to varied customer segments. Alfa Plus is with deck length and payload of 5.7 ft & 470 kg respectively. Alfa Passenger is with Driver + 3 seating capacity. Offers 37% higher displacement, 17% higher power and 12% higher torque over its BS4 version. Its mileage of 28.9 km/l in passenger and 29.4 km/l in load variant ensures higher savings. It comes with wide dashboard, spacious cabin and push button start.
3. Tractors	<p>All-new Sarpanch Plus Tractors</p> <ul style="list-style-type: none"> Sarpanch Plus series in the 30 HP (22.37kW) to 50 HP (37.28kW) category. Fuel efficient ELS (Extra Long Stroke) Di engine, which delivers 2 HP (1.49kW) more power and higher back-up torque. Offers industry-first 6-year warranty. Meets demands of modern farmers by providing extra power, higher back-up torque, modern styling and best-in-class ergonomics.

	<p>Planting Master Potato +</p> <ul style="list-style-type: none"> Planting Master Potato + is a precision potato planter that ensures a high level of singulation and no missing potato seeds. The planter ensures that potatoes are planted accurately, with uniform depth and seed to seed distance. Doorstep service including finance options and a 1-year Manufacturing Warranty. 20-25% increase in yield, over traditional methods. Fertilizer dispensation in one go with planting as Variant. 	<p>Mahindra JIVO</p> <ul style="list-style-type: none"> 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 PTO HP, optimized power loss & unique architecture with high end technology offers multi-application suitability with excellent performance. Mahindra JIVO ensures greater profits to the customer because of its low maintenance, best in class mileage, and easy spare part availability along with low cost. The new Mahindra Jivo is also available in 20hp-4WD for Vineyard and Orchard specific requirements to meet most of the applications with lesser fuel consumption. JIVO Refresh is launched with improved NVH levels to reduce fatigue levels of the customer. JIVO 305 tractor with higher PTO power is introduced to support Vineyard farmers in spraying applications.
<p>3. Tractors (Farm Division)</p>	<p>XP Plus Tractors with MLift Hydraulics</p> <ul style="list-style-type: none"> 2 HP engine power increase to have better productivity & performance. New cost-effective Precision Hydraulics which will be useful specially in potato farming belts like Agra etc. This Precision Hydraulic design also Eliminates perennial field issue of water entry through top link spindle, has Auxiliary valve provision, Ergonomic controls and under floor panel pipeline resulting to customer satisfaction. Positive feedback from Customers has led to a projection of additional volumes i.e. F22 - 6300 and in F23 - 7350 tractors which in turn will increase market share and revenue generation for organization. <p>Mahindra YUVO</p> <ul style="list-style-type: none"> Launched YUVO P2 Models 585 DI (49.96 HP) 2WD/4WD variants with SLIPTO and, 585 DI BKT High lug tyres as a variant to address higher HP puddling requirement. To meet customer demands of very good ergonomics in 45 – 55 HP in USA market, new model 5100 series SOP started and being launched in USA. With the growing demand for the upgradation of the existing models of NST (New Styling Tractor) Variants, Mahindra NST Refresh model has been launched with 2 HP power increase and launched model 42 HP, 44 & 47 HP (RCRPTO Variants) apart from 44 HP & 47 HP launched in last year. 	<p>Mahindra NOVO</p> <ul style="list-style-type: none"> Novo is available in 50 - 95 hp Engine power range globally both in Open Station and Cabin with HVAC version, which can handle more than 40 farming applications in different soil conditions with longest service interval of 400 hours. To make it suitable for wide range of applications, it is available with 3 transmission options viz., Mechanical 15x3 transmission, Mechanical Shuttle (15x15) and Power Shuttle (15x15) along with an optional Creeper gearbox as well. Novo delivers uniform and consistent power in all applications and soil conditions and is ergonomically designed, low on maintenance and has best in class fuel efficiency. Novo, also known as 6000 & 7000 series in some countries, is one of the most rugged tractors in its class. Novo tractors have been equipped with Tractor Mounted Combine Harvester (TMCH) as prime mover. TMCH is a futuristic machine which reduces farmers' harvesting time comprehensively and improves grain quality.

Swaraj	<p>969 FE</p> <ul style="list-style-type: none"> A new model in above 50HP portfolio, a 66 HP fuel efficient turbocharged engine with 12 forward & 3 reverse speed synchromesh transmission which provides comfortable shifting and more speed options to the farmer, was introduced. Hydraulics with high precision control & high lift capacity of 2200 kg which has superior ergonomics.
	<p>724 4WD</p> <ul style="list-style-type: none"> A new model in less than 30HP segment, a 4 wheel drive, 8 forward and 4 reverse speeds which helps in increased productivity, 750 kg hydraulic lift, 2 speed PTO for optimizing PTO driven implements, Power steering for reduced effort and oil immersed brakes for efficient braking and long life. These features make this model versatile in varied wetland & dryland applications.
	<p>744 XT</p> <ul style="list-style-type: none"> A new model in 45-50 HP segment, comes with 8 forward and 2 reverse speeds, 1700 kg hydraulic lift, Power steering for reduced effort and oil immersed brakes for efficient braking and long life. This model comes with a best in class fuel efficient engine giving significant savings to customer.
	<p>Weight reduction</p> <ul style="list-style-type: none"> In our sustainability initiative we have been able to save 4.5 kg per tractor on Swaraj models through metal and oil reduction.

year. The figures of previous year as reported in the Annual Report and as per revised calculation are presented in the table below:

Resource Use	Divisions	Unit of Measurement	Current Year 2020-21	Previous Year 2019-20 (With Revised Calculation)	Previous Year 2019-20 as reported in Annual Report
Specific Energy Consumption	Automotive Division	GJ / Equivalent Vehicles	1.410	1.355	1.308
	Farm + Swaraj Division	GJ / Equivalent Tractors	1.174	1.277	1.277
Specific Green House Gas Emissions (Scope 1 & 2)	Automotive Division	tCO ₂ / Equivalent Vehicles	0.192	0.205	0.198
	Farm + Swaraj Division	tCO ₂ / Equivalent Tractors	0.160	0.181	0.181
Specific Water Consumption	Automotive Division	KL / Equivalent Vehicles	1.234	1.305	1.259
	Farm + Swaraj Division	KL / Equivalent Tractors	0.816	1.022	1.022

ii. Reduction during usage by consumers (energy, water) 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 Company has a Green Supply Chain Management Policy & Policy on Supplier Code of Conduct, which has been shared with all suppliers, under which, the Company is committed to

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

i. Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

For the above-mentioned products, there is no explicit tracking mechanism in respect of resource use. However, resource use for the entire portfolio is tracked and monitored. Since the product 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 methodology for calculation (for equivalent production) has been revised in the reporting

improve the awareness with regard to legal compliances, enhance eco-efficiencies, employee health and safety initiatives etc.

- Continuous engagement with suppliers is ensured through supplier meets, business reviews, multiple training sessions & two-way interactive Msetu Platform.
- To motivate the suppliers to take the Sustainability agenda forward, good practices at supplier end are recognized, by institutionalizing "Annual Sustainability Award".
- In persuasion of ethical practices, in F-21 Supplier Code of Conduct version 2.0 was released for compliance declaration by suppliers as per M&M supplier code of conduct.
- To maintain a safe working culture at supplier, in F-21 we have initiated supplier safety audits through 3rd party & inputs were given to suppliers for improvement.
- Since last 4 years, we have been working on Zero Wood Waste Policy and with various initiatives, we have successfully reduced our wood in domestic packaging. Automotive Division has reduced 32.97% of wood consumption and Farm Equipment Division has reduced 100% w.r.t F16 base year.

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 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 Morale (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 (Value Analysis Value Engineering) 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 work is done from 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.**

Yes, 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 and are currently exporting 1 product.
- The Company is actively participating in the committee formed by the Society of Indian Automotive Manufacturers (SIAM) to frame processes and procedures for Product Recycling in India.
- 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.

- “CERO is India’s first authorized recycler for motor vehicles built having dismantling centers at Greater Noida, Pune and Chennai and in addition collection centers at major cities such as Mumbai, Bangalore, Hyderabad, Ahmedabad, Jaipur and Chandigarh.
- Any customer intending to purchase a new Mahindra Vehicle by scrapping/exchanging the old vehicle which is more than 15 years can do so at any Mahindra dealership. These services would provide utmost convenience to the customer without the need to look for a vehicle scrapping agency/ dealer.
- This is especially relevant given the new vehicle scrappage policy announced by the Minister for Road, Transport and Highways in the Lok Sabha in March 2021.
- 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 are exported and certified as per European Emission Compliance (EEC) directive 2005/64/ EC.
- 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 (CAFE) to align with future Fuel Economy emission regulation in India.

Principle 3: Businesses should promote the wellbeing of all employees-

1. Please indicate the Total number of employees: 40,619
2. Please indicate the Total number of employees hired on temporary/contractual/ casual basis: 20,678
3. Please indicate the Number of permanent women employees: 770
4. Please indicate the Number of permanent employees with disabilities: 29
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): 75%

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.

S. 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	7	2
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: 100%
 - c. Casual/Temporary/Contractual Employees: 70%
 - d. Employees with Disabilities: 28%

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.
 - Under its Corporate Social Responsibility, the Company has been driving various projects across the country to uplift the marginalized and vulnerable community through Integrated water shed, with the following objectives:
 1. Conservation, development and sustainable management of natural resources including their use

2. Conserve as much rainwater as possible in the places where it falls and increasing the groundwater level and maintaining it for sustainable use
 3. Prevent soil erosion and reduce sediment production by means of suitable soil and water conservation measures
 4. Enhancement of agricultural productivity and production in a sustainable manner
 5. Restoration of ecological balance in the degraded and fragile rainfed ecosystems by greening these areas
 6. Creation of sustained employment opportunities for the rural community including the landless
- 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 was implemented in 32 villages over 9,660 hectares of land covering 4,219 households thereby benefiting 17547 people.
 - There were three main interventions of the project 1) Soil & Water Conservation, 2) Productivity Enhancement and 3) Alternative Livelihood Generation. This project resulted in 1) Ground Water availability improved by 1.8 meters compared to baseline. 2) An average percentage increase of annual income from agriculture by 339% over the baseline 3) An average percentage increase of household annual income by 363% over the baseline.
 - On completion of the project the Company has partnered with NABARD for a watershed development in Hatta which covers 13 villages and is spread over 4816 hectares benefitting 1613 households and benefitting 6884 individuals.
 - Along with this Climate Change Mitigation project has been initiated in 3 micro catchments of IWMP village to develop climate change resilient practices impacting over 4500 beneficiaries.
 - 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 benefitting 34,228 people. Project is completed on 31st March 2020 and is in the process of handover to Government and Gram panchayat.
 - Multiple soil and water conservation activities along with seed replacement and irrigation techniques have resulted in increased crop production from the same hectare of cultivable land. This coupled with micro enterprise and skill development through provision of revolving funds to SHG's has translated into outcomes such as increased income and saving levels and reduction in the cost of agriculture inputs. The project resulted in 1) An average percentage increase of income by 262% over the baseline. 2) An average percentage increase of income from agriculture by 150% over the baseline and increase in crop productivity of major crops by 30%. 3) Average increase of ground water table by 1.8 m.
 - The Company has also initiated a project along with NABARD in Nasik to be completed in seven years and the first under River Basin approach in Maharashtra.
 - Total area of 13500 ha from catchment of Kadva river is proposed for watershed development along with climate proofing interventions and 2805 ha area only for climate proofing in completed watersheds.
 - Watershed development projects on area of 13500 ha will be implemented from F 21 to F 27.
 - Each village gets a combination of watershed harvesting 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 generation of additional income avenues.
- 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.
- However, Human Rights issues are a part of the supplier selection process also and are included in the contracts drawn up with them.
- The Company has put in place an Ethics & Governance Helpline managed by an external agency to ensure that any violations to its Code of Conduct (including violation of Human rights) are addressed objectively.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

- 33 complaints have been received through the Ethics & Governance Helpline out of which 29 complaints have been investigated and resolved, 4 complaints are pending.
- 1 complaint was received by the Chairman of the Audit Committee and resolved within the year.
- 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

- The Company has committed to program EP 100 by The Climate Group and became the 1st company to do so.
- It has also announced its carbon price of US \$10 per ton of carbon emitted.
- To restrict average global temperature rise in alignment with the Paris Climate Change Agreement, the company has committed to Science Based Target (SBT) and targets are approved.
- The entire group is aspiring to become carbon neutral by 2040 by continuing energy efficiency, renewable energy and tree plantation.
- The sustainability roadmap of the company is in place and targets have been taken to reduce carbon emissions, reduce water consumption, increase use of renewable energy and enhance recycling of waste.
- The company is signatory of India Business Biodiversity Initiative (IBBI).
- Senior leadership of the company has represented on various national and international committees supporting sustainable practices.
- The strategies and initiatives will be elaborated in the Company's Sustainability Report 2020-21 and will be available on <https://www.mahindra.com/resources/pdf/sustainability/Mahindra-Sustainability-Report-2020-21.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 2020-21.

Energy Savings:

- Commissioned trigeneration project engaging with Energy Efficiency Services Limited
- Replaced conventional fans with energy efficient BLDC fans
- Installed waste heat recovery system

Water Savings:

- Use of low flow fixtures to reduce water consumption
- Rainwater harvesting for ground water recharge
- Use of ETP/STP/RO treated water for gardening, cleaning, and process application

Waste Reduction:

- Reduction in the use of papers by adopting digital technology
- Use of shredded corrugated box strips avoiding use of bubble wraps for packing
- Paint sludge sent for co-processing to cement industry

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 (Green House Gas) 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, the Company has undertaken following other initiatives: –

- Installation of Trigenation Project for power generation
- Replacement of conventional air circulators with BLDC technology air circulators
- Radiant cooling system to optimise the HVAC operating load.
- Replacement of old conventional lights with LED's
- Installation of energy efficient air compressor
- Replacement of old motors with premium efficiency IE3 motors
- Installation of Energy efficient inverter split AC's.
- Installation of auto shut off valves for compressed air
- Waste heat recovery from air compressors
- Installation of IT guns for spot welding
- Installation of roof top & Ground mounted Solar PV project in manufacturing plants
- Installation of windmills and access renewable power through open access

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 a member of the 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)
- k) K. National Safety Council (NSC)

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. 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-21) 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 get jobs based on the skills learnt;
- 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 palliative care for people with chronic illnesses such as cancer, Alzheimer's, kidney failure, lung conditions, stroke and conduct cancer screening camps.
- e) **Mahindra Hariyali:** Afforestation initiative to improve green cover & protect biodiversity in the country and at the same time support the livelihood of tribal farmers;
- f) **Integrated Watershed Management Project (IWMP):** A public private partnership with the Government of Madhya Pradesh at Bhopal and NABARD at Hatta and Nashik for Soil & Water Conservation, Productivity Enhancement and Livelihood Generation interventions, along with climate proofing intervention. Further, climate proofing projects are being implemented in 3 completed watershed projects with the help of NABARD;
- g) **Climate Change Mitigation:** The programme aims to adopt climate smart resilient practices in IWMP watershed areas in Damoh, Madhya Pradesh;
- h) **Prerna:** A program focusing on empowering women farmers as changemakers in agriculture;
- i) **Wardha Farmer Family Project (WFFP):** The project aims to create a comprehensive agrarian solution that will deliver sustainable local nutritional security and prosperity to the farmer families in Wardha district, Maharashtra;
- j) **BAJA:** Training undergraduate engineering students in automotive engineering thereby enabling them to get jobs in the automobile industry;

- k) **A World In Motion (AWIM):** Training Class V & VI students in mechanical automobile concepts for building vehicles for road and water;
- l) **Rise for Safe Roads:** Mahindra & Mahindra Ltd, SaveLIFE Foundation and MSRDC signed an MOU to implement the 'Road Safety' project with the objective 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 and police personnel in life saving skills;
- 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?

Own team:

- CSR projects are implemented either directly by the Company through its ESOPs structure where the Mahindra employees directly implement the CSR programmes

NGOs/ External/ Other Organizations:

- CSR projects through implementing partners with a valid registration under section 12A & 80G of the Income Tax Act, 1961, and having an established track record of at least 3 years.
- The main implementation partners the Company works with are the Mahindra Foundation, The K C Mahindra Education Trust, Tech Mahindra Foundation and Naandi Foundation.

3. Have you done any impact assessment of your initiative?

Yes, Impact assessment studies were conducted by Sattva Media and Consulting Firm to measure the impact of the following 3 CSR projects completed in F20:

- Project Nanhi Kali
- Mahindra Pride School
- Integrated Watershed Management Project, Bhopal, implemented with the Government of Madhya Pradesh

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. 92.78 crores (This excludes the set of Rs. 20 crores claimed in F21 for contributions made by the Company to the PM Cares Fund on 31st March, 2020) during the Financial Year 2020-21. Details of some of the major initiatives the Company has invested in the financial year (F21) 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.

Yes, for all CSR projects the Company ensures that it works together with the community so that over a period of time they can adopt the programme as their own. Below are four examples of the same:

a) PROJECT NANHI KALI:

- This initiative provides educational support to underprivileged girls in India by providing daily afterschool academic support and an annual school supplies kit including feminine hygiene material, thereby allowing every girl in the project to attend school with dignity.
- The girls are also provided with access to a personalised, artificial intelligence powered learning software which is preloaded on digital tablets.
- This year, despite government school closures caused by the COVID-19 pandemic this year, community based Nanhi Kali Academic Support Centres were temporarily set up by the project (with due permissions from government authorities), to ensure that girls continued to receive educational support during this critical time.
- In F21, the project supported the education of 1,71,950 girls. Of these, 73,699 girls were supported by the Mahindra Group of which 33,046 girls were supported by M&M Ltd. The balance girls in the project were supported by individual donors and other corporates.

- Further, learning at the Nanhi Kali Academic Support Centres is facilitated by 'Community Associates' who are locally hired women, trained by the project. Since the 'Community Associates' are local women, they play a vital role in the community's acceptance of the project.

b) INTEGRATED WATERSHED MANAGEMENT PROJECT (IWMP) – INTEGRATED WATERSHED MANAGEMENT PROJECT (IWMP) –

- The project is a Public Private Partnership (PPP) with Government of Madhya Pradesh in Bhopal and with NABARD at Hatta for increasing the ground water table resulting in increased agricultural productivity and improved living standards.
- These projects have benefitted 38,447 people in 48 villages. The project has resulted in an increase in ground water table through various 'watershed' measures.
- These projects have proven to be a sustainable and replicable model for the development sector which was also recognised by Indian Institute of Corporate Affairs.
- The IWMP Bhopal project was successfully completed in June 2020 and handed over to the government.
- The Company has thereafter partnered with NABARD in Maharashtra for a watershed project in Igatpuri, in Nashik district covering 20 villages, over 13,500 hectares and benefitting a population of more than 23,020 individuals.
- Four projects covering area of 4,500 hectares were signed with NABARD for capacity building wherein activities like farm bunds, loose boulders and gabions for soil conservation were undertaken with the community.
- Further, climate proofing project has been initiated in 3 completed micro watersheds to develop climate change resilient practices impacting over 3453 beneficiaries.

c) MAHINDRA PRIDE SCHOOLS (MPS) –

- The initiative provides livelihood training to youth from socially & economically disadvantaged backgrounds.

- In F21, the Mahindra Group supported 7 MPSs in Pune, Chandigarh, Hyderabad, Varanasi and 3 in Chennai through which 4,342 students were trained.
- Of these, M&M supported the schools in Chandigarh, Varanasi, 2 schools in Chennai, which cumulatively skilled 2,520 youth in F21.
- From inception till date, 43,622 students have been trained and 100% have been placed.
- As a result of the ongoing Covid19 crises, placement of students in F21 have been delayed and will continue in F22.
- 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.
- In F21, 92,304 youth from Polytechnics, ITIs, Arts & Science Colleges across 13 states of India, received training through 1,816 Mahindra Pride Classrooms. Of these, 61,677 were supported by M&M.
- The Mahindra Pride Classrooms provided 20-40 hours modules of training to final year students covering English Speaking, Life Skills, Aptitude, Interview and Group Discussion preparedness, and Digital Literacy.
- Till date, 3,79,721 students have been trained through 8,335 Mahindra Pride Classrooms since inception in 2016-17. This year due to the Covid19 pandemic both MPS and MPC training was done online through zoom and other digital platforms.

d) MAHINDRA HARIYALI –

- The Mahindra Group has committed to planting one million trees every year.
- From inception in 2007 till F21, the Mahindra Group has planted 19.08 million trees.
- Of this, 11.68 million trees have been planted in Araku Valley to enhance livelihood of tribal farmers. In the Araku Valley of Andhra Pradesh, the trees planted include fruit bearing trees and coffee saplings, which have yielded high returns to the Adivasi tribal population in this region.

- The Mahindra Hariyali project at Araku follows a participatory approach in its planning and implementation and requires complete involvement of all the tribal families associated with the project.
- In a bid to ensure transparency, farmers are consulted at every step in the program process and farmers societies have been formed to ensure ownership and community participation in the decision making.
- The testimony of the community adopting the project is evident through the average survival rates of the plantations, which is 93.5% for Araku Valley (external audit by UNIQUE Forestry and Land Use GmbH in 2019) and 83.68% for other locations (external audit by Bombay Natural History Society in 2019).

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 31st March, 2021 is as follows:

2020-21	Automotive Division	Farm Division (Including Swaraj)	Total
Percentage of Consumer Cases Pending against the Company as on 31 st March, 2020 of cumulative cases pending or filed since 1 st April, 2009.	32.16%	40.22%	33.80%

Auto Division – Customer Complaints

Receiving Period	Total Complaints registered in this period	Open	Closed	Open %	Closed %
F21	33,032	505	32,527	1.53%	98.47%
F12 -F21	3,25,517	505	3,25,102	0.16%	99.84%

Farm Division – Customer Complaints

Receiving Period	Total Complaints registered in this period	Open	Closed	Open %	Closed %
F21	13,400	56	13,344	0.42%	99.58%
F11-F21	1,62,418	56	1,62,362	0.03%	99.97%
F21 Swaraj Division	2,583	68	2,515	2.63%	97.37%
F11-F21 Swaraj Division	6,285	68	6,217	1.08%	98.92%

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 25th August, 2014 CCI passed an order ("Order") against fourteen companies including Mahindra & Mahindra Limited (M&M). 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 conducts 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.

Union of India ("UOI") had also filed SLP against the Judgement dated 4th April 2019, along with an Application for Condonation of Delay, as the SLP filed by them is barred by limitation. Both, the SLP of UOI and the Delay Condonation Application were listed on 1st January 2021 for hearing. The Court has issued Notice in the Condonation of Delay Application and tagged the SLP of UOI with the other pending SLPs including the SLP filed by M&M.

The matter is yet to be listed for hearing.

Matters pending before the ITC, USA

In August of 2018, a complaint was filed by Fiat Chrysler Automobile US, LLC ("FCA") with the United States International Trade Commission (ITC) against Mahindra & Mahindra Limited ("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 sought an order for permanently restraining M&M from exporting to the United States, and MANA from importing into US, any part or component which infringes FCA's intellectual property rights.

In response, M&M / MANA brought action in Federal District Court in Michigan on the issue of the applicability and enforcement of M&M's 2009 agreement with FCA and to assert a claim for compensation arising out of the harm caused by FCA using the ITC case to injure the ROXOR business, M&M and MANA by creating negative publicity, damaging the reputation and stature in the marketplace. After the hearing the court indicated that both the Federal District Court action and the ITC investigation would continue. The parties agreed to delay trial at the Federal District Court until the final outcome at the ITC.

Trial at the ITC was held in August 2019. The administrative law judge overseeing the case issued an initial determination and recommendation wherein it was suggested that although the Mahindra ROXOR did not infringe on any of FCA's registered trademarks, however, FCA did establish rights in certain trade dress elements and the ITC should

issue an order prohibiting import of infringing parts. The full commission reviewed the initial determination and issued a final determination on 11th June, 2020. The final determination at the ITC agreed with the recommendations of the administrative law judge on the issues.

The Federal District Court of Michigan has since validated the ITC's finding regarding (i) non-infringement of FCA's registered trademarks and (ii) infringement by of FCA's Jeep Trade Dress by the 2018 and 2019 FY ROXOR vehicle.

M&M has appealed the ITC's findings on FCA's rights to their claimed trade dress elements and that the 2018 and 2019 ROXOR models were infringing of those rights, before the Federal Circuit Court.

The ITC also provided a mechanism for review of the FY 2020 and FY 2021 ROXOR designs to determine if they are non-infringing. On 20th July, 2020, the Judge at the ITC began expedited consideration of the FY 2021 ROXOR design. The Judge at the ITC concluded that the FY 2021 ROXOR design did not infringe on the FCA trade dress. This conclusion was referred to the entire International Trade Commission for review. On 23rd December, 2020, the Commission concurred with the conclusion that the FY 2021 design was non-infringing. This now permits the manufacture and sale of the new design in the U.S. without restriction. FCA has filed an Appeal the ruling to the Federal Circuit Court in the United States. In the interim, M&M and MANA are free to manufacture, sell and distribute the FY 2021 design and intends to begin production by the fourth quarter of calendar year 2021.

FCA has appealed the ITC's findings on the FY 2021 ROXOR design before the Federal Circuit Court.

Currently both (i) M&M's appeal of the ITC's original ruling that the 2018 and 2019 models were infringing and (ii) FCA's appeal of the ITC's ruling that the FY 2021 design is non-infringing remain pending before the Federal Circuit Court.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, through

- CaPS (Customer as Promoter Score) Study (Done by Central Team at Corporate Office Worli) - Applicable for Personal & Commercial Model, as well as Tractors. The CaPS study is an annual study but was not completed in FY 2020-21
- Brand Track Study for PV was carried out in FY 2020-21. Brand Track study for CV and Tractors was not conducted in FY 2020-21

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		
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Property, Plant and Equipment and Intangible Assets	15012	14404	12502	10988	9811	9158	7766	7105	5821	5088
Investments	24065	19938	22016	20583	17908	13547	13139	11380	11834	10297
Inventories	3955	3401	3839	2702	2758	2688	2438	2804	2420	2358
Trade Receivable/Debtors	2343	2999	3946	3173	2939	2512	2558	2510	2208	1929
Other Non Current/Current Assets	14214	9760	10394	10001	6297	7594	6181	7490	5171	4098
Borrowings	7095	2932	2480	2864	2773	1844	2620	3745	3227	3174
Non Current/Current Liabilities and Provisions	16649	11694	15373	14011	10409	10773	9230	9863	8953	7964
Deferred Tax Liabilities/(Assets) (Net)	1343	1408	634	277	(255)	460	222	890	615	527
Equity Capital	597	597	596	595	297	296	296	295	295	295
Other Equity	33905	33871	33613	29699	26489	22127	19714	16496	14364	11810
Net Worth	34502	34468	34209	30294	26786	22423	20009	16791	14659	12105
Book Value Per Share (Rupees)	288.77	288.91	287.09	+ 254.59	451.23	378.36	338.34	284.26	248.14	205.32

+ Book Value Per Share is adjusted for Bonus Shares allotted in the ratio of 1:1 during December 2017.

Summary of Operations

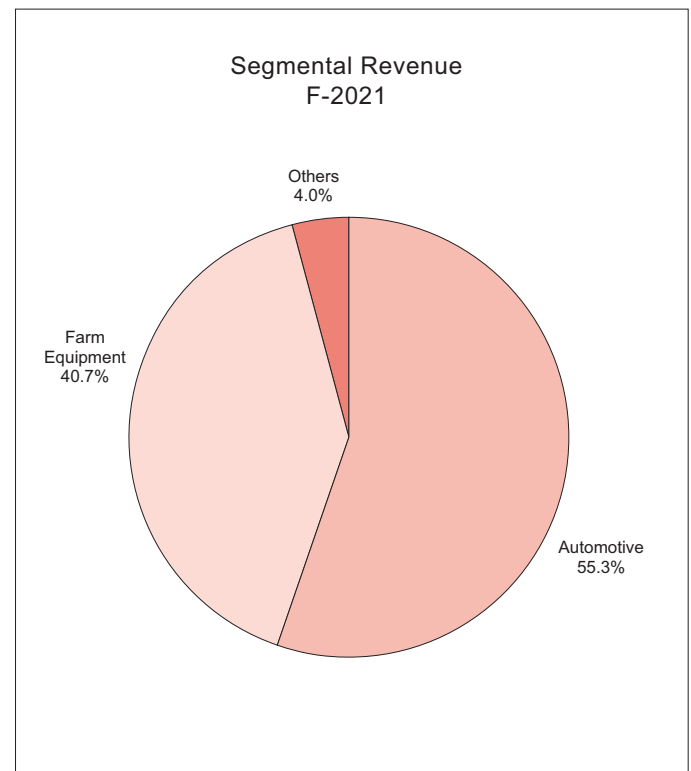
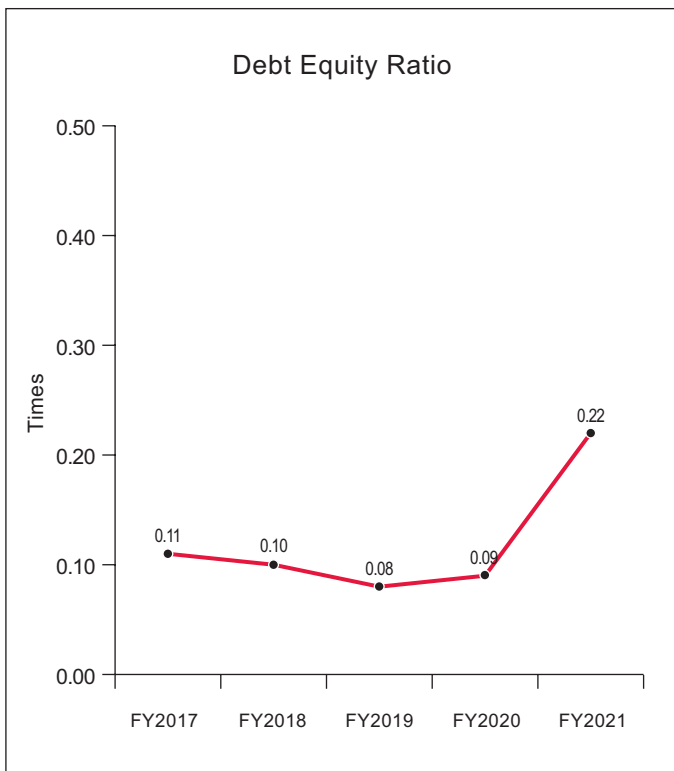
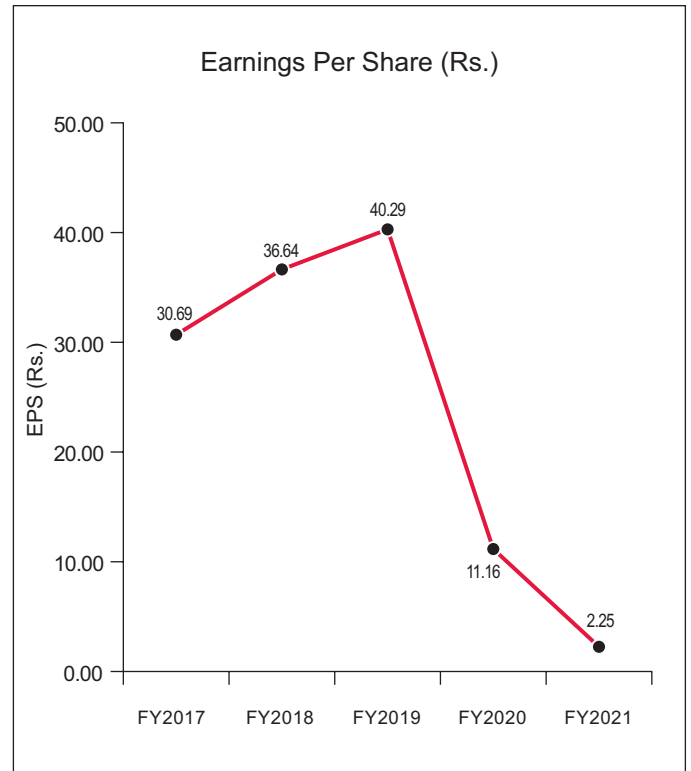
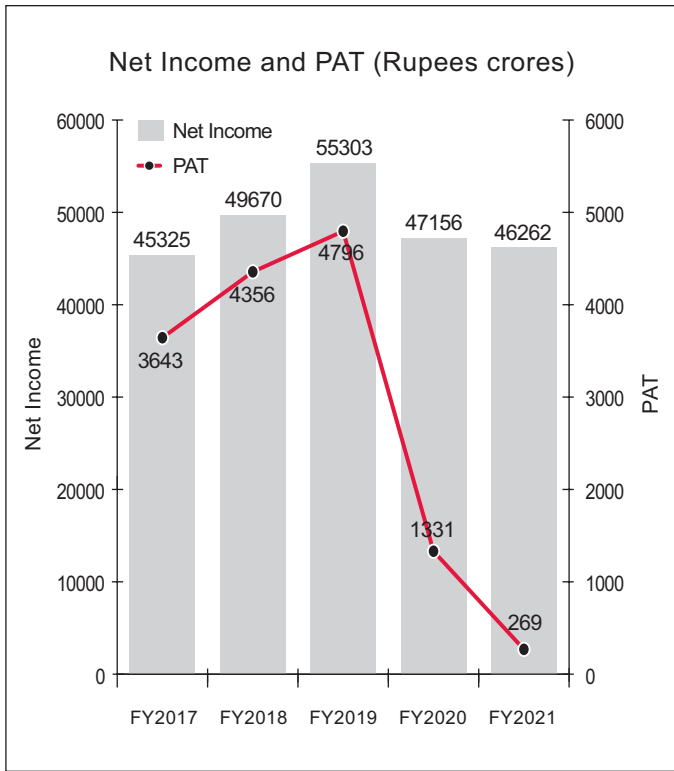
Rupees crores

	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		
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Income	46262	47156	55303	50481	48729	44489	41481	43838	43962	34820
Materials	31613	31633	38257	34135	32081	29516	27955	29432	30425	23500
Excise Duty	—	—	—	759	3330	2764	2188	2612	2972	2501
Employee Benefits Expense	2859	2880	2980	2841	2714	2349	2317	2164	1866	1701
Finance Costs/Interest	371	113	113	112	160	186	214	259	191	163
Depreciation, amortisation and impairment expense	2233	2223	1860	1479	1526	1068	975	863	711	576
Other Expenses	4063	5177	5738	5487	4743	4390	3999	4191	3441	2881
Exceptional items	(3663)	(2014)	(30)	434	548	69	336	52	91	108
Profit before tax for the year	1460	3116	6325	6102	4723	4284	4169	4369	4447	3606
Tax for the year	1192	1785	1529	1746	1080	1080	848	611	1094	727
Balance profit	269	1331	4796	4356	3643	3205	3321	3758	3353	2879
Dividend (including tax thereon)	# 1088	292	1187	1055	925	841	847	963	894	869
Equity Dividend (%)	175	47	170	150	260	240	240	280	260	250
Earnings Per Share (Rupees) ^	2.25	11.16	40.29	36.64	30.69	26.52	28.12	31.83	28.43	24.49
Vehicles produced/ purchased (Units)	351619	466253	618412	546974	499117	496859	464799	506035	555510	474145
Vehicles sold (Units)	348621	471141	607548	548508	506624	494096	464850	507176	551469	469345
Tractors produced (Units)	349262	295126	335519	315759	272308	217383	224330	277425	219893	246475
Tractors sold (Units)	351431	298927	327033	317531	263177	214173	234766	268487	224844	236666

^ 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 the 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 2021, 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 ("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 2021 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 on the standalone financial statements.

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.

Description of Key Audit Matter

1. Impairment assessment of long-term investments in subsidiaries, joint ventures and associates See note 6 to the standalone financial statements

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 (collectively "the investments") aggregating Rs 19,577 crores as at 31 March 2021. The Company records the investments at cost less any provision for impairment loss.</p> <p>Changes in business environment, including the economic uncertainty created by the novel corona virus (COVID-19), could have a significant impact on the valuation of these investments. The investments are tested for impairment periodically. The Company assesses the carrying amounts of the investments to determine indicators of impairment loss as the recoverable values rely on certain assumptions and estimates of future performance which impact the valuation. If any such indication exists, the recoverable amount, which is the higher of the market value or Value In Use (VIU) or fair value less cost of disposal of the investment is estimated and the impairment loss, if any, is recognised in the statement of profit and loss and carrying amount of investments is reduced to its recoverable amount.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's impairment assessment process, including the approval of forecasts and valuation models; Tested the key VIU assumptions used in estimating future cash flows such as revenue volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry; Read the documents in relation to admission of the material foreign erstwhile subsidiary in the rehabilitation proceedings and made enquiries with the Company's management to understand the implications of the rehabilitation proceedings and assess the recoverability of investments and other exposures based on the best estimate of the subsidiary's valuation considering the uncertainty of the rehabilitation proceedings; Involved valuation specialists, as applicable, to evaluate the assumptions including the discount rates used in VIU calculations, through reference to reports of industry analysts;

Further, during the year, one of the material foreign subsidiaries of the Company was admitted in rehabilitation proceedings, the outcome of which is currently uncertain. Given these developments, management has ceased its classification as a subsidiary.

The Company has recognized an impairment/provision of Rs 3,922 crores (including Rs 1,654 crores in relation to investments and other exposures of the material foreign erstwhile subsidiary) in its financial statements for the year ended 31 March 2021.

Refer note 2(d)(iv) – significant accounting policy for impairment of investments.

- Evaluated past performance where relevant, and assessed historical accuracy of the forecast produced by management; and
- Assessed the adequacy of disclosures on key judgements, assumptions and quantitative data with respect to impairment losses.

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

The key audit matter	How the matter was addressed in our audit
<p>The Company has aggregate tangible assets of Rs 9,581 crores, which includes property, plant and equipment of Rs 7,872 crores and Rs 1,709 crores of capital-work-in-progress as at 31 March 2021. Further, the Company has Rs 2,127 crores of development expenditure capitalized, and Rs 3,123 crores of intangible assets under development (collectively "the intangible assets").</p> <p>Changes in business environment, including the economic uncertainty created by COVID-19, could have a significant impact on the valuation of the tangible and intangible assets. The tangible and intangible assets are tested for impairment periodically. The Company assesses the carrying amounts of the tangible and intangible assets to determine indicators of impairment loss as the recoverable values rely on certain assumptions and estimates of future performance which impact the valuation. If any such indication exists, the recoverable amount which is the higher of VIU or fair value less cost to sell of the asset or the Cash Generating Unit (CGU), is estimated and the impairment loss is recognised in the statement of profit and loss. The carrying amount of the tangible and intangible assets is reduced to its recoverable amount.</p> <p>Refer note 2(g) – significant accounting policy for impairment of tangible and intangible assets.</p>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> • Assessed the design, implementation and operating effectiveness of key controls in respect of the Company's impairment assessment process, including the approval of forecasts and valuation models; • Obtained an understanding of the identification of the CGU process; • Tested the key VIU assumptions used in estimating future cash flows such as revenue volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry; • Involved valuation specialists as applicable, to evaluate the assumptions including the discount rates used in VIU calculations; • Evaluated past performance where relevant, and assessed historical accuracy of the forecast produced by management; • Evaluated the stage of development of the intangible assets, judgments used for expected probable economic benefits and associated expenditures, and their assessment of feasibility of the projects; and • Assessed the adequacy of disclosures on key judgements, assumptions and quantitative data with respect to impairment losses.

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 and Board of Directors' 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 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, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

■ Auditor's 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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting 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 auditor's 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.

2. (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 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 2021 on its financial position in its standalone financial statements - Refer Note 38 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 17 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 2021.

- (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
UDIN: 21102527AAAAAV5209

Mumbai, 28 May, 2021

Annexure A to the Independent Auditors' report on the standalone financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2021

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 2021, 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 and no material discrepancies were noticed on such verification. All discrepancies have been dealt with in the books of account. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (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. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset (right-of-use assets) in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
- ii. The inventory, except for goods in transit, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For goods in-transit, subsequent goods receipts have been verified. 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 to 76 of the Act is not applicable. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 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. However, we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- 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 as at 31 March 2021 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	400.25	AY 2015-16 and AY 2016-17	Income Tax Appellate Tribunal
		30.10	AY 2013-14	High Court
		10.25	AY 2014-15 and AY 2017-18	Commissioner of Income tax (Appeals)
		0.09	AY 2009-10 and AY 2012-13	Assessing Officer

Name of the Statute	Nature of Dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Duty of Excise	3.25	2006-07 to 2009-10	High Court
		234.32	1991-2016	Appellate Authority-Tribunal
		734.93	1991-2017	Appellate Authority-Commissioner
Sales Tax and Value Added Tax	Sales tax	171.16	1994-2016	High Court
		41.60	1991-2015	Appellate Authority-Tribunal
		886.53	2003-2018	Appellate Authority-Commissioner
		4.77	2006-2010	Appellate Authority-Revisional Board
Finance Act, 1994	Service tax	35.15	2002-2015	Appellate Authority-Tribunal
		2.18	2016-2018	Appellate Authority-Commissioner
Customs Act, 1962	Duty of Customs	1.49	1996-2001	High Court
		1.14	1990-1994	Appellate Authority-Tribunal
		2,557.21		

- 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.
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.
- x. 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.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. 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.
- xiii. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, 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.
- xiv. 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.
- 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 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.
- xvi. 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
UDIN: 21102527AAAAV5209

Annexure B to the Independent Auditors' report on the standalone financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2021

■ 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

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

Opinion

We have audited the internal financial controls with reference to financial statements of Mahindra & Mahindra Limited ("the Company") as of 31 March 2021 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 2021, 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 the 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 standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone 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
UDIN: 21102527AAAAAV5209

Mumbai, 28 May, 2021

Balance Sheet | as at 31st March 2021

Rupees crores

	Note No.	2021	2020
I. ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment.....	4	7,872.59	7,980.76
Capital work-in-progress.....		1,708.88	1,196.68
Intangible assets.....	5	2,306.76	2,413.83
Intangible assets under development.....		3,123.28	2,812.78
Financial assets			
(i) Investments.....	6	19,576.60	17,748.48
(ii) Loans.....	7	1,652.72	138.86
(iii) Other financial assets.....	8	639.61	486.38
Income tax assets (net).....		920.61	929.28
Other non-current assets.....	9	1,475.45	1,653.52
		39,276.50	35,360.57
CURRENT ASSETS			
Inventories.....	10	3,955.47	3,400.91
Financial assets			
(i) Investments.....	6	4,488.47	2,189.65
(ii) Trade receivables.....	11	2,342.85	2,998.98
(iii) Cash and cash equivalents.....	12	739.31	2,323.51
(iv) Bank balances other than cash and cash equivalents.....	12	5,516.11	1,913.00
(v) Loans.....	7	756.94	512.02
(vi) Other financial assets.....	8	649.85	506.41
Other current assets.....	9	1,863.30	1,297.01
		20,312.30	15,141.49
TOTAL ASSETS.....		59,588.80	50,502.06
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital.....	13	597.39	596.52
Other equity.....	14	33,904.53	33,871.32
		34,501.92	34,467.84
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	15	7,070.03	2,032.03
(ii) Other financial liabilities.....	16	476.55	560.07
Provisions.....	17	955.42	922.98
Deferred tax liabilities (net).....	18	1,343.15	1,408.17
Other non-current liabilities.....	19	108.56	138.15
		9,953.71	5,061.40
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings.....	15	24.74	900.00
(ii) Trade payables			
(a) Total outstanding dues of Micro Enterprises and Small Enterprises.....	20	88.71	102.11
(b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises.....	20	9,899.45	6,683.72
(iii) Other financial liabilities.....	16	2,027.47	1,052.85
Other current liabilities.....	19	2,227.64	1,422.22
Provisions.....	17	486.48	595.56
Current tax liabilities (net).....		378.68	216.36
		15,133.17	10,972.82
TOTAL EQUITY AND LIABILITIES.....		59,588.80	50,502.06

The accompanying notes 1 to 40 are an integral part of the Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2021

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

} Directors

Anand G. Mahindra Executive Chairman
Anish Shah Managing Director and CEO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Manoj Bhat Group Chief Financial Officer
Narayan Shankar Company Secretary

Mumbai, 28th May, 2021

Statement of Profit and Loss | for the year ended 31st March 2021

	Note No.	2021	2020
<i>Rupees crores</i>			
INCOME			
Revenue from operations	21	45,040.98	45,487.78
Other income	22	1,221.31	1,667.81
Total income		46,262.29	47,155.59
EXPENSES			
Cost of materials consumed.....	23	25,035.89	22,873.74
Purchases of stock-in-trade		6,817.12	8,349.36
Changes in inventories of finished goods, stock-in-trade and work-in-progress	24	(240.00)	409.49
Employee benefits expense	25	2,858.80	2,880.08
Finance costs.....	26	370.88	113.23
Depreciation, amortisation and impairment expense	27	2,232.99	2,222.63
Other expenses.....	28	4,176.98	5,384.59
		41,252.66	42,233.12
Less: Amounts capitalised		113.92	207.54
Total expenses		41,138.74	42,025.58
Profit before exceptional items and tax		5,123.55	5,130.01
Exceptional items (net).....	29	(3,663.27)	(2,013.98)
Profit before tax		1,460.28	3,116.03
Tax expense			
Current tax.....	18	1,235.63	996.98
Deferred tax.....	18	(44.01)	788.50
Profit for the year		268.66	1,330.55
Other comprehensive income/(loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(79.73)	(11.18)
(b) Equity instruments through other comprehensive income		0.55	(0.78)
(ii) Income tax relating to items that will not be reclassified to profit or loss		20.07	3.25
B. (i) Items that will be reclassified to profit or loss			
(a) Debt instruments through other comprehensive income.....		(0.93)	0.68
(b) Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge.....		(2.81)	(35.28)
(ii) Income tax relating to items that will be reclassified to profit or loss		0.94	11.21
Total other comprehensive (loss)/income		(61.91)	(32.10)
Total comprehensive income for the year		206.75	1,298.45
Earnings per equity share:			
(Face value Rs. 5/- per share) (Rupees)			
Basic	30	2.25	11.16
Diluted	30	2.24	11.12

The accompanying notes 1 to 40 are an integral part of the Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2021

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

Directors

Anand G. Mahindra Executive Chairman
Anish Shah Managing Director and CEO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Manoj Bhat Group Chief Financial Officer
Narayan Shankar Company Secretary

Mumbai, 28th May, 2021

Statement of Changes in Equity | for the year ended 31st March, 2021

(A) Equity Share Capital

	Rupees crores	
	2021	2020
Issued, Subscribed and Paid-up:		
Balance as at the beginning of the year	596.52	595.80
Add: Allotment of shares by M&M ESOP Trust to Employees	0.87	0.72
Balance as at the end of the year	597.39	596.52

(B) Other Equity

	Rupees crores							
	Capital Reserve	Securities Premium (refer note a)	General Reserve (refer note b)	Debt Redemption Reserve	Share Option Outstanding Account	Retained Earnings	Items of other comprehensive income	Total
As at 1 st April, 2019	346.00	2,274.15	1,730.54	50.64	233.92	28,966.71	0.43	33,613.43
Profit for the year	—	—	—	—	—	1,330.55	—	1,330.55
Other Comprehensive Income/(Loss)	—	—	—	—	—	(7.93)	0.57	(32.10)
Total Comprehensive Income for the year..	—	—	—	—	—	1,322.62	0.57	1,298.45
Dividend paid on Equity Shares (including tax thereon)	—	—	—	—	—	(1,187.33)	—	(1,187.33)
Exercise of employee stock options	—	87.87	—	—	(87.87)	—	—	—
Allotment of shares by M&M ESOP Trust to Employees	—	25.93	—	—	—	—	—	25.93
Allotment of bonus shares by M&M ESOP Trust to Employees	—	(0.36)	—	—	—	—	—	(0.36)
On account of employee stock options lapsed	—	—	2.29	—	(2.29)	—	—	—
Share based payment to employees	—	—	—	—	121.20	—	—	121.20
As at 31st March, 2020	346.00	2,387.59	1,732.83	50.64	264.96	29,102.00	1.00	33,871.32

(B) Other Equity (contd.)

Rupees crores

	Reserves and Surplus			Items of other comprehensive income				Total		
	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 [Note 34.1(c)]
As at 1 st April, 2020	346.00	2,387.59	1,732.83	50.64	264.96	29,102.00	1.00	(5.95)	(7.75)	33,871.32
Profit for the year	—	—	—	—	—	268.66	—	—	—	268.66
Other Comprehensive Income/(Loss)	—	—	—	—	—	(59.66)	(0.70)	0.55	(2.10)	(61.91)
Total Comprehensive Income for the year..	—	—	—	—	—	209.00	(0.70)	0.55	(2.10)	206.75
Dividend paid on Equity Shares	—	—	—	—	—	(292.15)	—	—	—	(292.15)
Exercise of employee stock options	—	105.00	—	—	(105.00)	—	—	—	—	—
Allotment of shares by M&M ESOP Trust to Employees	—	21.84	—	—	—	—	—	—	—	21.84
Allotment of bonus shares by M&M ESOP Trust to Employees	—	(0.44)	—	—	—	—	—	—	—	(0.44)
On account of employee stock options lapsed	—	—	2.29	—	(2.29)	—	—	—	—	—
Share based payment to employees	—	—	—	—	97.21	—	—	—	—	97.21
As at 31 st March, 2021	346.00	2,513.99	1,735.12	50.64	254.88	29,018.85	0.30	(5.40)	(9.85)	33,904.53

Remeasurement loss (net) on defined benefit plans **Rs. 59.66 crores** (2020 : Rs. 7.93 crores) has been recognised during the year as part of retained earnings.

(C) 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:** General reserve comprises of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilised by the Company in accordance with the Companies Act, 2013.
- Retained earnings:** Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilized or distributed by the Company in accordance with the provisions of 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:

- The Company has reduced the share capital by **Rs. 12.11 crores** (2020 : Rs. 12.54 crores) and securities premium by **Rs. 182.94 crores** (2020 : Rs. 204.78 crores) for the **2,42,12,082** shares of Rs. 5 each (2020 : 2,50,76,433 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 securities premium increased by **Rs. 12.10 crores** (2020 : Rs. 12.54 crores) for the **2,42,12,081** bonus shares of Rs. 5 each (2020 : 2,50,76,432 bonus shares of Rs. 5 each) issued by the Company in December, 2017 to the M&M ESOP Trust but not yet transferred by the M&M ESOP Trust to the employees.
- The accompanying notes 1 to 40 are an integral part of the Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No : 101248/WV-100022

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2021

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

Directors

Anand G. Mahindra Executive Chairman
Anish Shah Managing Director and CEO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Manoj Bhat Group Chief Financial Officer
Narayan Shankar Company Secretary

Mumbai, 28th May, 2021

Cash Flow Statement | for the year ended 31st March 2021

Rupees crores

	2021	2020
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before exceptional items and tax.....	5,123.55	5,130.01
Adjustments for:		
Depreciation, amortisation and impairment expense	2,232.99	2,222.63
Loss/(Gain) on foreign exchange fluctuations (net).....	(30.28)	0.12
Dividend on investment and interest income	(973.29)	(1,432.71)
Loss/(Gain) arising on financial assets/liabilities measured at Fair Value through profit or loss (net).....	(132.47)	(4.07)
Finance costs.....	370.88	113.23
Share based payment expenses	92.61	114.50
Loss/(Gain) on property, plant and equipment sold/scrapped/written off (net)	0.47	(73.90)
Operating profit before working capital changes.....	6,684.46	6,069.81
Changes in:		
Trade and other receivables.....	250.25	2,051.63
Inventories	(554.56)	438.36
Trade and other payables and provisions.....	3,804.38	(3,799.63)
	3,500.07	(1,309.64)
Cash generated from operations	10,184.53	4,760.17
Income taxes paid (net of refunds).....	(1,064.64)	(1,082.34)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	9,119.89	3,677.83
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Payments to acquire property, plant and equipment and intangible assets	(2,838.63)	(3,991.93)
Proceeds from sale of property, plant and equipment and intangible assets.....	73.36	48.26
Payments to acquire non-current investments – subsidiaries.....	(4,303.99)	(2,107.57)
Payments to acquire non-current investments – associates.....	(68.29)	(24.68)
Payments to acquire non-current investments – joint ventures.....	(257.38)	(142.88)
Payments to acquire other non-current investments	(37.21)	(33.46)
Payments to acquire current investments	(78,621.94)	(111,727.63)
Proceeds from sale of current investments	76,487.62	112,756.38
Share application money paid.....	—	(23.86)
Changes in earmarked balances and margin accounts with banks	(30.58)	(0.05)
Bank deposits placed.....	(6,340.53)	(2,235.52)
Bank deposits matured	2,809.87	1,774.15
Interest received.....	308.60	355.60
Dividends received.....	550.77	1,007.35
Loans/Inter-corporate deposits given	(2,725.98)	(804.06)
Loans/Inter-corporate deposits refunded	430.50	885.61
Exceptional Items:		
Proceeds from sale of non current investments in subsidiaries, associates, joint ventures and capital receipt from M&M Benefit Trust	—	1,688.57
NET CASH FLOW USED IN INVESTING ACTIVITIES (B)	(14,563.81)	(2,575.72)

Cash Flow Statement (contd.)

	<i>Rupees crores</i>	
	2021	2020
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from borrowings.....	7,913.49	1,312.42
Repayment of borrowings and lease liabilities.....	(3,387.41)	(983.53)
Dividends paid (including tax thereon).....	(293.60)	(1,187.37)
Interest, commitment and finance charges paid.....	(372.66)	(156.98)
NET CASH FLOW FROM / (USED IN) FINANCING ACTIVITIES (C)	3,859.82	(1,015.46)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,584.10)	86.65
Cash and cash equivalents at the beginning of the year	2,323.51	2,237.58
Unrealised loss on foreign currency cash and cash equivalents.....	(0.10)	(0.72)
Cash and cash equivalents at the end of the year (Refer Note 12 (a))	739.31	2,323.51

Note:

- 1 During the year ended 31st March 2021, the Company received non-cash consideration amounting to **Rs. 402.84 crores** in the form of equity shares of Mahindra Two Wheelers Limited under the scheme of merger of Mahindra Trucks and Buses Limited with Mahindra Two Wheelers Limited.
- 2 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 40 are an integral part of the Financial Statements.

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527
Mumbai, 28th May, 2021

<p>Vikram Singh Mehta Vishakha N. Desai T. N. Manoharan Haigreve Khaitan Shikha Sharma Nisaba Godrej Muthiah Murugappan Vijay Kumar Sharma CP Gurnani</p>	}	Directors
--	---	-----------

<p>Anand G. Mahindra Anish Shah Rajesh Jejurikar Manoj Bhat Narayan Shankar</p>	<p>Executive Chairman Managing Director and CEO Executive Director (Auto and Farm Sectors) Group Chief Financial Officer Company Secretary</p>	<p>Mumbai, 28th May, 2021</p>
--	--	--

Notes forming part of the Financial Statements | for the year ended 31st March 2021

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 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 28th May, 2021.

(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.

2. Significant Accounting Policies: (contd.)

(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.

(v) *Estimation uncertainties relating to the Covid-19 global pandemic*

The Company has considered relevant internal and external sources of information to evaluate the impact on the financial statements for the year ended 31st March, 2021. The Company has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, inventories and has made necessary adjustments to the carrying amounts by recognising provisions / impairment of assets where necessary. However, the actual impact may be different from that estimated as it will depend upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

(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.

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.

2. Significant Accounting Policies: (contd.)

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 property, plant & equipment 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.

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.

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.

2. Significant Accounting Policies: (contd.)

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.

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. 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.

2. Significant Accounting Policies: (contd.)

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.

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.

2. Significant Accounting Policies: (contd.)

(l) Revenue Recognition

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.

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 income 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. The shortfall, if any, based on actuarial valuation is recognised through Other Comprehensive Income (OCI).

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.

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 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.

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. 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.

2. Significant Accounting Policies: (contd.)

(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) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116 and this may require significant judgment. The Company also uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend or terminate the lease if the Company is reasonably certain based on relevant facts and circumstances that the option to extend or terminate will be exercised. If there is a change in facts and circumstances, the expected lease term is revised accordingly.

The discount rate is generally based on the interest rate specific to the lease being evaluated or if that cannot be easily determined the incremental borrowing rate for similar term is used.

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

The Company as a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and restoration cost, less any lease incentives received.

The right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. In addition, the right-of-use asset is reduced by impairment losses, if any.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. When a lease liability is remeasured, the corresponding adjustment of the lease liability is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

3. Recent Accounting Pronouncements:

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 revising Division I, II and III of Schedule III and are applicable from 1st April, 2021. The amendments in Division II (applicable to the Company) of Schedule III, primarily relate to :

- a) Change in existing presentation requirements for certain items in Balance sheet, for eg. lease liabilities, security deposits, current maturities of long term borrowings, effect of prior period errors on Equity Share capital
- b) Additional disclosure requirements in specified formats, for eg. ageing of trade receivables, trade payables, capital work in progress, intangible assets, shareholding of promoters, etc.
- c) Disclosure if funds have been used other than for the specific purpose for which it was borrowed from banks and financial institutions.
- d) Additional Regulatory Information, for eg., compliance with layers of companies, title deeds of immovable properties, financial ratios, loans and advances to key managerial personnel, etc.
- e) Disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency.

The amendments are extensive and the Company is evaluating the same.

4. Property, Plant and Equipment

Property, plant and equipment comprise of owned and leased assets that do not meet the definition of Investment property.

Particulars	2021	2020
(a) Property, plant and equipment owned.....	7,644.85	7,762.64
(b) Right of use assets.....	227.74	218.12
Total	7,872.59	7,980.76

(a) Property, plant and equipment owned

Rupees crores

Particulars	Land – Freehold	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Aircraft	Vehicles	Total
Cost								
Balance as at 1 st April, 2019	271.96	1,917.73	13,025.89	120.29	193.95	103.46	434.65	16,067.93
Additions during the year.....	—	163.48	1,150.55	13.42	16.20	—	95.28	1,438.93
Disposals during the year.....	0.25	1.97	104.38	2.51	0.90	—	65.58	175.59
Balance as at 31st March, 2020	271.71	2,079.24	14,072.06	131.20	209.25	103.46	464.35	17,331.27
Balance as at 1 st April, 2020	271.71	2,079.24	14,072.06	131.20	209.25	103.46	464.35	17,331.27
Additions during the year.....	1.34	42.44	1,112.08	7.92	7.05	—	40.95	1,211.78
Disposals during the year.....	0.05	3.70	189.68	1.27	3.52	46.24	51.55	296.01
Balance as at 31st March, 2021	273.00	2,117.98	14,994.46	137.85	212.78	57.22	453.75	18,247.04
Accumulated depreciation & impairment								
Balance as at 1 st April, 2019	—	534.75	7,432.84	90.72	134.66	36.25	224.00	8,453.22
Depreciation expense for the year.....	—	60.66	1,085.43	10.48	13.58	4.81	70.84	1,245.80
Disposals during the year.....	—	1.36	90.00	2.36	0.78	—	55.82	150.32
Impairment during the year	—	—	—	—	—	19.93	—	19.93
Balance as at 31st March, 2020	—	594.05	8,428.27	98.84	147.46	60.99	239.02	9,568.63
Balance as at 1 st April, 2020	—	594.05	8,428.27	98.84	147.46	60.99	239.02	9,568.63
Depreciation expense for the year.....	—	59.66	1,100.06	9.78	12.53	4.27	69.45	1,255.75
Disposals during the year.....	—	3.49	156.03	1.15	3.04	21.81	36.67	222.19
Balance as at 31st March, 2021	—	650.22	9,372.30	107.47	156.95	43.45	271.80	10,602.19
Net carrying amount								
Net carrying amount as at 31 st March, 2020..	271.71	1,485.19	5,643.79	32.36	61.79	42.47	225.33	7,762.64
Net carrying amount as at 31st March, 2021..	273.00	1,467.76	5,622.16	30.38	55.83	13.77	181.95	7,644.85

Notes:

- Additions during the year includes borrowing costs capitalised **Rs. 21.41 crores** (2020 : Rs. 32.82 crores).
 - Buildings include **Rs. * crores** (2020 : Rs. * crores) being the value of shares in co-operative housing societies.
- * denotes amounts less than Rs. 50,000.

4. Property, Plant and Equipment (contd.)
 (b) Right of use assets

Rupees crores

Particulars	Land	Buildings	Others (refer note)	Total
Cost				
Balance as at 1st April, 2019				
On account of adoption of Ind AS 116	117.99	76.15	37.14	231.28
Additions during the year.....	—	8.95	14.92	23.87
Balance as at 31st March, 2020	117.99	85.10	52.06	255.15
Balance as at 1st April, 2020	117.99	85.10	52.06	255.15
Additions during the year	—	2.88	57.09	59.97
Deductions during the year	—	10.15	2.25	12.40
Balance as at 31st March, 2021	117.99	77.83	106.90	302.72
Accumulated amortisation				
Balance as at 1st April, 2019	—	—	—	—
Amortisation expense for the year	1.86	21.63	13.54	37.03
Balance as at 31st March, 2020	1.86	21.63	13.54	37.03
Balance as at 1st April, 2020	1.86	21.63	13.54	37.03
Amortisation expense for the year	1.84	20.64	22.04	44.52
Deductions during the year	—	4.32	2.25	6.57
Balance as at 31st March, 2021	3.70	37.95	33.33	74.98
Net carrying amount				
Net carrying amount as at 31 st March, 2020	116.13	63.47	38.52	218.12
Net carrying amount as at 31st March, 2021	114.29	39.88	73.57	227.74

Note:

Others include Plant and Equipment, Car and Vehicles & Furniture and Fixtures.

5. Intangible Assets

Rupees crores

Particulars	Development Expenditure (Internally Generated)	Brand Licence	Computer Softwares	Others (refer note b)	Total
Cost					
Balance as at 1 st April, 2019	4,231.53	129.16	89.70	—	4,450.39
Additions during the year.....	780.00	—	27.83	65.00	872.83
Deductions during the year	193.31	—	50.08	—	243.39
Balance as at 31st March, 2020	4,818.22	129.16	67.45	65.00	5,079.83
Balance as at 1 st April, 2020	4,818.22	129.16	67.45	65.00	5,079.83
Additions during the year.....	811.90	—	2.77	—	814.67
Deductions during the year	237.03	—	7.94	—	244.97
Balance as at 31st March, 2021	5,393.09	129.16	62.28	65.00	5,649.53
Accumulated amortisation & impairment					
Balance as at 1 st April, 2019	1,897.06	12.21	74.08	—	1,983.35
Amortisation expense for the year	891.32	4.31	18.98	0.04	914.65
Deductions during the year	193.31	—	38.69	—	232.00
Balance as at 31st March, 2020.....	2,595.07	16.52	54.37	0.04	2,666.00
Balance as at 1 st April, 2020	2,595.07	16.52	54.37	0.04	2,666.00
Amortisation expense for the year	908.33	4.31	9.06	0.04	921.74
Deductions during the year	237.03	—	7.94	—	244.97
Balance as at 31st March, 2021.....	3,266.37	20.83	55.49	0.08	3,342.77
Net carrying amount					
Net carrying amount as at 31 st March, 2020.....	2,223.15	112.64	13.08	64.96	2,413.83
Net carrying amount as at 31st March, 2021.....	2,126.72	108.33	6.79	64.92	2,306.76

Notes:

- Additions during the year includes Borrowing costs capitalised **Rs. 34.14 crores** (2020 : Rs. 51.77 crores).
- Intangible – Others include trade marks, transferable development rights etc.

6. Investments

A. Non-current investments

Particulars	Face Value Per Unit (Rupees)	2021		2020	
		Number	Rupees crores	Number	Rupees crores
Investments in Equity Instruments (fully paid-up)					
Quoted					
(A) At Cost					
(i) In Subsidiary Companies					
Equity shares					
Mahindra & Mahindra Financial Services Limited...	2	64,43,99,987	2,846.87	31,62,07,660	1,205.91
Mahindra EPC Irrigation Limited	10	1,51,44,433	77.75	1,51,44,433	77.75
Mahindra Holidays & Resorts India Limited	10	8,98,90,615	24.72	8,98,90,615	24.72
Mahindra Lifespace Developers Limited.....	10	2,64,39,850	440.28	2,64,39,850	440.28
Mahindra Logistics Limited	10	4,18,12,157	41.81	4,18,12,157	41.81
SsangYong Motor Company ^	KRW 5000			11,18,55,108	2,450.25
			3,431.43		4,240.72
(ii) In Associate Companies					
Equity shares					
Swaraj Engines Limited	10	42,16,792	26.28	42,16,792	26.28
Tech Mahindra Limited.....	5	25,15,48,691	985.57	25,15,48,691	985.57
			1,011.85		1,011.85
(B) Designated and carried at FVTOCI					
(i) In Other Companies					
Equity shares.....			1.10		0.55
			1.10		0.55
			4,444.38		5,253.12
Unquoted					
(A) At Cost					
(i) In Subsidiary Companies					
Equity shares					
Gromax Agri Equipment Limited	10	59,73,218	4.29	59,73,218	4.29
Kota Farm Services Limited	10	2,73,420	—	2,73,420	—
Mahindra & Mahindra Contech Limited	10	35,000	0.04	35,000	0.04
Mahindra Agri Solutions Limited	10	9,30,32,599	367.33	8,01,35,372	327.35
Mahindra and Mahindra South Africa (Proprietary) Limited	ZAR 1	5,20,00,000	28.54	5,20,00,000	28.54
Mahindra Automotive Australia Pty. Limited ..	AUD 1	45,75,000	21.16	45,75,000	21.16
Mahindra Automotive Mauritius Limited					
– Ordinary shares	EUR 1	13,30,05,001	1,075.42	9,51,75,001	754.39
– Ordinary shares	NA	12,85,71,428	158.50	—	—
Mahindra Bangladesh Private Limited	BDT 100	4,20,001	3.57	420,001	3.57
Mahindra Construction Company Limited	10	9,00,000	—	9,00,000	—
Mahindra Consulting Engineers Limited	10	11,51,000	1.25	11,51,000	1.25
Mahindra Defence Systems Limited	10	1,67,23,655	292.95	1,67,23,655	292.95
Mahindra do Brasil Industrial Ltda.(quotas)	BRL 1	6,09,10,950	97.80	2,39,73,450	50.56
Mahindra Publications Limited (formerly known as 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
Mahindra Engineering and Chemical Products Limited	10	11,77,93,039	973.09	11,64,50,935	962.89
Mahindra Holdings Limited	10	246,34,99,450	2,463.50	246,14,99,450	2,461.50

6. Investments (contd.)

A. Non-current investments (contd.)

Particulars	Face Value Per Unit (Rupees)	2021		2020	
		Number	Rupees crores	Number	Rupees crores
Mahindra Overseas Investment Company (Mauritius) Limited					
– Ordinary shares	US \$ 1	30,14,29,209	1,893.69	29,25,79,209	1,826.40
– Ordinary shares	NA	32,81,86,334	898.36	—	—
Mahindra Telecom Energy Management Services Limited	10	50,000	0.05	50,000	0.05
Mahindra Trucks and Buses Limited #	0.20	—	—	466,74,78,380	144.51
Mahindra Two Wheelers Europe Holdings S.a.r.l.:					
– Class A Shares	EUR 1	1,49,00,000	188.71	1,49,00,000	188.71
– Class B Shares	EUR 0.05	160,00,00,000	633.90	160,00,00,000	633.90
– Class C Shares	EUR 0.03	53,33,33,300	135.16	—	—
– Class D Shares	EUR 0.02	105,00,00,000	184.06	—	—
Mahindra Two Wheelers Limited #	0.02	3822,66,47,930	402.84	—	—
Mahindra USA Inc.					
– Class A Shares	US \$ 0.25	45,60,00,000	755.08	45,60,00,000	755.08
– Class B Shares	US \$ 0.16	67,25,00,000	795.94	—	—
Mahindra Vehicle Manufacturers Limited	10	415,47,23,484	4,154.72	406,47,23,484	4,064.72
Mahindra Waste To Energy Solutions Limited...	10	2,62,15,842	26.22	1,85,10,000	18.51
MERU Travel Solutions Private Limited	10	4,19,50,519	69.78	3,18,90,157	54.78
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
NBS International Limited	10	4,45,50,466	45.30	2,45,50,474	25.30
Officemartindia.com Limited	10	7,49,997	—	7,49,997	—
Trringo.com Limited	10	2,74,60,000	27.46	2,74,60,000	27.46
			15,890.37		12,839.57
(ii) In Trust Securities					
M&M Benefit Trust			1,189.42		1,189.42
M&M Fractional Entitlement Trust			0.01		0.01
Mahindra World Motor Driving School Trust			—		0.01
Sunrise Initiatives Trust			62.30		62.30
			1,251.73		1,251.74
(iii) In Associate Companies					
Equity Shares					
PF Holdings B.V.	EUR 1	2,63,36,050	254.05	1,83,36,050	185.76
PSL Media & Communications Limited	5	19,750	0.01	19,750	0.01
			254.06		185.77
Preference shares (classified as equity instruments)					
Series C Preferred shares: Resson Aerospace Corporation	NA	8,00,402	34.45	8,00,402	34.45
			34.45		34.45
			288.51		220.22
(iv) In Joint Venture Companies					
Equity Shares					
Carnot Technologies Private Limited	10	3,121	3.45	1,296	1.07
Classic Legends Private Limited	10	13,45,28,000	135.24	10,33,28,000	104.04
M.I.T.R.A Agro Equipments Private Limited	10	1,02,662	15.99	1,02,662	15.99
Mahindra Aerospace Private Limited	10	83,56,30,306	1,075.45	67,43,70,306	914.19
Mahindra Ideal Lanka (Private) Limited	LKR 1000	1,75,000	6.79	1,75,000	6.79

6. Investments (contd.)

A. Non-current investments (contd.)

Particulars	Face Value Per Unit (Rupees)	2021		2020	
		Number	Rupees crores	Number	Rupees crores
Mahindra Sanyo Special Steel Private Limited...	10	34,75,264	145.13	34,75,264	145.13
Sampo Rosenlew Oy	NA	4,995	218.34	1,872	132.35
Smartshift Logistics Solutions Private Limited...	10	3,47,105	71.56	347,105	71.56
			1,671.95		1,391.12
Preference shares (classified as equity instruments)					
Compulsory Convertible Cumulative Preference shares: Carnot Technologies Private Limited					
– Series A	100	6,663	5.77	6,074	5.00
– Series B	100	2,298	3.00	—	—
– Seed	100	4,480	5.85	—	—
5% Non Cumulative Compulsory Convertible Preference Shares : Mahindra Aerospace Private Limited	10	—	—	50,00,000	5.00
Cumulative Compulsory Convertible Preference shares: Sampo Rosenlew Oy	NA	—	—	192	15.32
Compulsorily Convertible Cumulative Participating Preference Shares: Smartshift Logistics Solutions Private Limited:					
- 0.01% Series C	100	3,15,788	64.38	3,15,788	64.38
- 0.01% Series C1	100	1,84,529	37.50	184,529	37.50
Non Cumulative Compulsorily Convertible Preference Shares: Zoomcar India Private Limited:					
- 0.0001 % Series P1	10	3,63,752	129.13	3,63,752	129.13
- 0.0001 % Series P2	10	1,03,063	—	—	—
			245.63		256.33
			1,917.58		1,647.45
(B) Designated and carried at FVTOCI					
(i) In Other Companies					
Gamaya SA :					
– Irredeemable Preferred shares	CHF 1	30,469	30.16	30,469	30.16
– Common shares	CHF 1	300	0.30	300	0.30
TVS Automobile Solutions Private Limited: Compulsorily Convertible Preference Shares	10	332,295	35.00	—	—
Equity shares			0.16		0.16
			65.62		30.62
(C) Designated and carried at FVTPL					
SsangYong Motor Company (transferred from quoted subsidiary) ⁴⁵	KRW 5000	111,855,108	—	—	—
Investments in Equity Instruments (Total)			23,858.19		21,242.72
Investments in Debt instruments:					
Unquoted					
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 investments (contd.)

Particulars	Face Value Per Unit (Rupees)	2021		2020	
		Number	Rupees crores	Number	Rupees crores
Other Non Current Investments Unquoted					
Mandatorily measured and Carried at FVTPL:					
(i) In Subsidiary Companies					
6% Optionally Convertible Cumulative Redeemable Preference Shares: Mahindra Agri Solutions Limited	46	1,06,96,170	46.29	10,696,170	37.73
			46.29		37.73
(ii) In Joint Venture Companies					
18% Optionally Convertible Debenture: Zoomcar India Private Limited ⁵	100,000	—	—	1,880	—
			—		—
(iii) In Others					
Investment in Alternate Investment Fund.....			11.75		7.88
			11.75		7.88
Other Non-Current Investments (Total).....			58.04		45.61
Total Non-Current Investments (Gross)			24,516.23		21,888.33
Less : Aggregate amount of impairment in value of investments			(4,939.63)		(4,139.85)
Total Non-Current Investments (Net).....			19,576.60		17,748.48
Other Disclosures					
(i) Aggregate amount of quoted investments (Gross).....			4,444.38		5,253.12
Market Value of quoted investments			44,346.71		23,044.04
(ii) Aggregate amount of unquoted investments (Gross) ..			20,071.85		16,635.21

Notes:

During the year, under the scheme of merger, Mahindra Trucks and Buses Limited merged with Mahindra Two Wheelers Limited.

^ During the year, status of SsangYong Motor Company has changed from Subsidiary (quoted) of the Company to other investment carried at FVTPL (unquoted) (Refer Note 39(B)).

\$ Fair value of investments is determined to be zero.

* denotes amounts less than Rs. 50,000.

B. Current Investments

Particulars	Rupees crores	
	2021	2020
Quoted :		
Mandatorily measured and Carried at FVTPL		
Investments in Mutual Funds.....	4,358.84	1,474.70
Investments in Market Linked Debentures.....	97.66	201.57
	4,456.50	1,676.27
Designated and Carried at FVTOCI		
Investments in Equity Instruments	*	*
Investments in Debentures and Bonds	31.97	42.07
	31.97	42.07
	4,488.47	1,718.34
Unquoted :		
Carried at FVTOCI		
Investments in Certificate of Deposits	—	321.31
	—	321.31
Carried at Amortised cost		
Investments in Corporate Fixed Deposits	—	150.00
	—	150.00
Total Current Investments	4,488.47	2,189.65
Other Disclosures		
(i) Aggregate amount of quoted investments (Gross)	4,488.47	1,718.34
Market Value of quoted investments.....	4,488.47	1,718.34
(ii) Aggregate amount of unquoted investments (Gross)	—	471.31

Notes:

* denotes amounts less than Rs. 50,000.

7. Loans
Rupees crores

Particulars	Non-Current		Current	
	2021	2020	2021	2020
(a) Loans to related parties (refer note 35)				
Unsecured, considered good	1,521.05	62.99	677.94	336.04
Doubtful	16.00	17.00	5.27	5.27
	1,537.05	79.99	683.21	341.31
Less: Allowance for Expected Credit Loss.....	16.00	17.00	5.27	5.27
Total (a)	1,521.05	62.99	677.94	336.04
(b) Other Loans				
Unsecured, considered good	22.33	75.87	79.00	175.98
Doubtful	437.35	—	5.98	5.98
	459.68	75.87	84.98	181.96
Less: Allowance for Expected Credit Loss.....	328.01	—	5.98	5.98
Total (b)	131.67	75.87	79.00	175.98
Total Loans	1,652.72	138.86	756.94	512.02

(a) Loan to Related Parties includes Loan to Director:

Non-Current **Rs. 3.53 crores** (2020 : Rs. 10.00 crores), Current Loan – **Rs. 3.50 crores** (2020 : Nil).

(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	Non-Current		Current	
	2021	2020	2021	2020
Carried at amortised cost:				
Security deposits	24.40	31.49	20.93	24.44
Bank deposits	9.91	51.78	—	—
Interest accrued.....	—	—	273.51	164.86
Other financial assets	434.57	286.19	322.14	298.62
Carried at fair value:				
Derivative financial assets	65.77	—	33.27	18.49
Derivatives on Interest over Subsidiaries, Associates and Joint Ventures....	104.96	116.92	—	—
Total Other Financial Assets	639.61	486.38	649.85	506.41

Other Financial Assets include receivables for oil royalty income, scrap sales, incentive receivables, share application money 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 Non Financial Assets
Rupees crores

Particulars	Non-Current		Current	
	2021	2020	2021	2020
Capital advances	867.74	741.62	—	—
Other advances	607.71	911.90	1,863.30	1,297.01
Total Other Non Financial Assets	1,475.45	1,653.52	1,863.30	1,297.01

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.

10. Inventories

Particulars	Rupees crores	
	2021	2020
Raw Materials and Bought-out Components [includes in transit Rs. 147.21 crores ; 2020 : Rs. 91.46 crores] ...	1,423.26	1,109.75
Work-in-Progress.....	165.68	126.81
Finished Goods.....	1,614.47	1,379.46
Stock-in-Trade [includes in transit Rs. 5.31 crores ; 2020 : Rs 24.56 crores]	486.06	551.25
Manufactured Components	137.03	105.72
Stores and Spares.....	72.41	72.54
Tools	56.56	55.38
Total Inventories	3,955.47	3,400.91

- (a) The amount of inventories recognised as an expense is **Rs. 37,015.90 crores** (2020 : Rs. 37,106.59 crores) including **Rs. 87.68 crores** (2020 : Rs. 105.02 crores) in respect of write-down of inventories to net realisable value, and has been reduced by **Rs. 28.08 crores** (2020 : Rs. 26.17 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

Particulars	Rupees crores	
	2021	2020
Unsecured, considered good	2,333.86	2,998.98
Doubtful	237.35	158.30
	2,571.21	3,157.28
Less: Allowance for Expected Credit Loss.....	228.36	158.30
Total Trade Receivables	2,342.85	2,998.98

Refer Note 34 - 2(b).

12. Cash and Bank Balances

Particulars	Rupees crores	
	2021	2020
a) Cash and cash equivalents		
Balances with banks		
– On Current accounts.....	658.78	1,397.26
– Fixed deposits with original maturity less than 3 months.....	39.52	909.99
	698.30	2,307.25
Cheques, drafts on hand (including in transit).....	40.91	16.14
Cash on hand	0.10	0.12
Total Cash and cash equivalents.....	739.31	2,323.51
b) Bank Balances other than Cash and Cash Equivalents		
Earmarked balances with banks.....	18.43	19.88
Balances with banks on margin accounts.....	34.28	2.25
Fixed deposits.....	5,463.40	1,890.87
Total Other Bank balances.....	5,516.11	1,913.00

13. Equity Share Capital

Rupees crores

Particulars	2021	2020
Authorised:		
8,10,00,00,000 (2020 : 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 (2020 : 1,24,31,92,544) Ordinary (Equity) Shares of Rs. 5 each fully paid up	621.60	621.60
Less:		
4,84,24,163 (2020 : 5,01,52,865) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M ESOP Trust but not yet allotted to employees.....	24.21	25.08
Adjusted Issued, Subscribed and Paid-up Share Capital	597.39	596.52

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

Particulars	2021		2020	
	No. of Shares	Rupees Crores	No. of Shares	Rupees Crores
Issued, Subscribed and Paid-up:				
Opening Balance.....	124,31,92,544	621.60	124,31,92,544	621.60
Less: Shares issued to M&M ESOP Trust but not allotted to Employees	4,84,24,163	24.21	5,01,52,865	25.08
Adjusted Issued, Subscribed and Paid-up Share Capital	119,47,68,381	597.39	119,30,39,679	596.52

 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	2021		2020	
	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.....	10,22,25,615	8.22	13,42,61,077	10.80
M&M Benefit Trust	8,44,70,428	6.79	8,44,70,428	6.79
J.P. Morgan Chase Bank, N.A (for GDR Holders).....	3,58,41,803	2.88	6,21,89,746	5.00

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 (2020 : 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 (2020 : 62,15,96,272) Ordinary (Equity) Shares allotted as fully paid up by way of bonus shares.

14. Other Equity
Details of Dividends proposed:

Rupees crores

Particulars	2021	2020
Dividend per share (Rupees).....	8.75	2.35
Dividend on Equity Shares	1,087.79	292.15
Total Dividend	1,087.79	292.15

15. Borrowings

a) Long Term Borrowings

i) Non Current borrowings

Particulars	Rupees crores	
	2021	2020
Unsecured (Carried at Amortised Cost) :		
Debentures	3,463.75	973.96
Term loan from banks	3,050.00	413.48
Lease liabilities	80.19	68.80
Other loans.....	476.09	575.79
Total Unsecured Borrowings.....	7,070.03	2,032.03

(a) Debentures:

	Rupees crores	
	2021	2020
- 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
- 6.19 % p.a. Redeemable Non-Convertible Debentures maturing in June 2025#	500.00	—
- 6.78 % p.a. Redeemable Non-Convertible Debentures maturing in April 2023	1,000.00	—
- 6.65 % p.a. Redeemable Non-Convertible Debentures maturing in April 2023	1,000.00	—
Less : Unamortised finance cost	11.25	1.04
	3,463.75	973.96

The Company and the debentures holders have call and put option respectively to redeem, in part or in full, the debentures on 8th June, 2023 and 8th June, 2024.

(b) Term Loan from Banks:

The Company has taken Unsecured Term Loan from Banks aggregating to **Rs. 3,050.00 crores** which are repayable over a period of maximum five years upto August 2025 and carry interest rates which are linked to Repo rate with spread ranging from 2.15% p.a.p.m. to 2.35% p.a.p.m. Certain loans have floor rate and ceiling rate defined such that the effective interest rate would range between 5.50% p.a.p.m. to 7.95% p.a.p.m.

(c) Lease liabilities comprises of liabilities on account of long term leases in accordance with requirement of Ind AS 116 - Leases.

(d) 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

Particulars	Rupees crores	
	2021	2020
Debentures	0.01	0.01
Term Loan From Banks	428.74	—
Lease Liabilities	43.79	41.04
Other Loans	99.70	94.87
Less : Unamortised finance cost	0.20	—
Total	572.04	135.92

Refer Note 16.

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.

Lease Liabilities comprise of current portion of long term lease liability.

15. Borrowings (contd.)

b) Short Term Borrowings

Particulars	Rupees crores	
	2021	2020
Secured (Carried at Amortised Cost):		
Term Loan from Banks	24.74	—
Unsecured (Carried at Amortised Cost):		
Term Loan from Banks	—	900.00
Total Short Term Borrowings.....	24.74	900.00

Secured Borrowings:

Secured term loan from Banks are secured by lien on non-callable Fixed Deposits of equivalent amount.

Reconciliation of movement in borrowings to cash flows from financing activities

Particulars	Rupees crores	
	2021	2020
Opening balance		
– Long Term Borrowings	2,032.03	2,031.78
– Short Term Borrowings	900.00	448.54
– Current maturities of Long term borrowings	135.92	91.02
– Unclaimed matured Deposits.....	0.10	0.17
Total Opening Balance	3,068.05	2,571.51
a) Cash flow movements		
– Proceeds from borrowings	7,913.49	1,312.42
– Repayment of borrowings and lease liabilities	(3,387.41)	(983.53)
	4,526.08	328.89
b) Non-cash movements		
– On account of adoption of Ind AS 116	—	117.42
– Addition to lease liability during the year	59.97	23.87
– Deletion in lease liability during the year	(5.83)	—
– Effect of amortisation of loan origination costs	3.97	0.57
– Foreign exchange translation.....	14.65	25.79
	72.77	167.65
Closing Balance		
– Long Term Borrowings	7,070.03	2,032.03
– Short Term Borrowings (other than loans repayable on demand)	24.74	900.00
– Current maturities of Long term borrowings	572.04	135.92
– Unclaimed matured Deposits.....	0.09	0.10
Total Closing Balance	7,666.90	3,068.05

16. Other Financial Liabilities

Rupees crores

Particulars	Non-Current		Current	
	2021	2020	2021	2020
Carried at Amortised Cost:				
Current maturities of long-term borrowings	—	—	572.04	135.92
Interest accrued and not due on borrowings	—	—	188.69	20.83
Unclaimed dividends.....	—	—	18.43	19.87
Unclaimed matured deposits and interest accrued thereon.....	—	—	0.09	0.10
Security Deposits.....	86.51	91.94	—	—
Other liabilities.....	324.51	321.18	1,126.77	840.41
Carried at Fair Value:				
Derivative financial Liabilities.....	—	54.44	70.60	35.72
Derivatives on Interest in Subsidiaries, Associates and Joint Ventures.....	65.53	92.51	50.85	—
Total other financial liabilities.....	476.55	560.07	2,027.47	1,052.85

Other liabilities include salaries and wages payable, capital creditors, brand licenses payable and monies adjusted from share capital and other equity on account of shares held by M&M ESOP Trust pending transfer to the eligible employees.

17. Provisions

Rupees crores

Particulars	Non-Current		Current	
	2021	2020	2021	2020
Provision for Employee Benefits.....	662.73	595.54	108.63	177.99
Provision for Warranty	274.02	302.03	298.27	312.11
Provision for Service coupons.....	18.67	25.41	79.58	105.46
Total Provisions.....	955.42	922.98	486.48	595.56

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 8 months to 5 years.

Provision for employee benefits includes gratuity, provident fund, post retirement benefits, compensated absence etc.

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

Rupees crores

Particulars	Warranty		Service coupons	
	2021	2020	2021	2020
Opening Balance.....	614.14	595.55	130.87	154.76
Additional net provisions recognised during the year.....	160.69	265.63	46.90	77.93
Amounts utilised during the year	(233.48)	(285.26)	(86.80)	(111.90)
Unwinding of discount.....	30.94	38.22	7.28	10.08
Closing Balance.....	572.29	614.14	98.25	130.87

18. Income Taxes

Deferred Tax (Assets)/Liabilities (Net)

Rupees crores

Particulars	Balance as at 01-04-2020	Charge/(credit) to Profit or Loss	Charge/(credit) to OCI	Balance as at 31-3-2021
<i>Tax effect of items resulting in taxable temporary differences</i>				
Allowances on Property, Plant and Equipment and Intangible Assets.....	1,766.08	(12.76)	—	1,753.32
Others	65.06	(5.61)	—	59.45
<i>Tax effect of items resulting in deductible temporary differences</i>				
Provision for employee benefits.....	(237.37)	5.08	(20.07)	(252.36)
Allowances for credit losses.....	(56.11)	(23.60)	—	(79.71)
Long term capital losses.....	(86.83)	15.03	—	(71.80)
Others	(42.66)	(22.15)	(0.94)	(65.75)
Total Deferred Tax (Assets)/Liabilities (Net).....	1,408.17	(44.01)	(21.01)	1,343.15

Rupees crores

Particulars	Balance as at 01-04-2019	Charge/(credit) to Profit or Loss	Charge/(credit) to OCI	Balance as at 31-3-2020
<i>Tax effect of items resulting in taxable temporary differences</i>				
Allowances on Property, Plant and Equipment and Intangible Assets.....	2,141.26	(375.18)	—	1,766.08
Others	156.90	(91.84)	—	65.06
<i>Tax effect of items resulting in deductible temporary differences</i>				
Provision for employee benefits.....	(305.42)	71.30	(3.25)	(237.37)
Allowances for credit losses.....	(46.37)	(9.74)	—	(56.11)
Long term capital losses.....	(116.20)	29.37	—	(86.83)
Minimum Alternate Tax Credit.....	(1,116.35)	1,116.35	—	—
Others	(79.69)	48.24	(11.21)	(42.66)
Total Deferred Tax (Assets)/Liabilities (Net).....	634.13	788.50	(14.46)	1,408.17

Income Tax recognised in profit or loss

Rupees crores

Particulars	2021	2020
Current Tax:		
In respect of current year	1,208.05	876.10
In respect of prior years.....	27.58	120.88
	1,235.63	996.98
Deferred Tax:		
In respect of current year origination and reversal of temporary differences.....	(31.46)	155.49
Effect of utilisation/ (recognition) of deferred tax on capital losses.....	15.03	27.30
Effect of change in tax rate due to switch to new tax regime (Refer note below)	—	599.14
In respect of prior year	(27.58)	6.57
	(44.01)	788.50
Total Income Tax recognised in profit or loss.....	1,191.62	1,785.48

18. Income Taxes (contd.)

Income tax recognised in Other comprehensive income

Rupees crores

Particulars	2021	2020
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	0.71	11.32
Net fair value gain on investments in debt instruments at FVTOCI	0.23	(0.11)
Remeasurement of defined benefit plans.....	20.07	3.25
Total Income tax recognised in Other comprehensive income	21.01	14.46

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	2021	2020
Profit before tax	1,460.28	3,116.03
Applicable Income tax rate.....	25.17%	25.17%
Expected income tax expense.....	367.52	784.24
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	(218.44)	(534.36)
Effect of expenses/provisions not deductible in determining taxable profit.....	1,011.33	898.68
Effect of change in tax rate due to switch to new tax regime (Refer note below)	—	599.14
Effect of utilisation/ (recognition) of deferred tax on capital losses	15.03	27.30
Effect of net additional/(reversal) of provision in respect of prior years.....	—	127.45
Others	16.18	(116.97)
Reported income tax expense.....	1,191.62	1,785.48

Note:

During the previous year ended 31st March, 2020, the Government of India vide Taxation Laws (Amendment) Tax Ordinance, 2019 allowed an option to the domestic companies to switch to a lower tax rate structure of 22% (25.17% including surcharge and cess) from the earlier 30% (34.944% including surcharge and cess) subject to condition that the Company will not avail any of the specified deductions/incentives under the Income Tax Act. The Company had elected to switch to the new lower tax rate structure with effect from the financial year 2019-20. Consequently, net impact of Rs 599.14 crores has been recognised in profit or loss on account of expensing of MAT credit balance and offset by tax credit on account of restatement of net deferred tax liabilities at the beginning of the previous year.

19. Other Non Financial Liabilities

Rupees crores

Particulars	Non-Current		Current	
	2021	2020	2021	2020
Contract Liabilities	108.56	138.15	647.08	711.76
Others	—	—	1,580.56	710.46
Total Other Non Financial Liabilities.....	108.56	138.15	2,227.64	1,422.22

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.

20. Trade Payables
Rupees crores

Particulars	2021	2020
Total outstanding dues of micro enterprises and small enterprises	88.71	102.11
Total outstanding dues other than micro enterprises and small enterprises		
– Trade payable - Other than Micro and small enterprises	9,059.21	6,170.99
– Acceptances.....	840.24	512.73
	9,899.45	6,683.72
Total Trade Payables.....	9,988.16	6,785.83

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	2021	2020
(a) Dues remaining unpaid at the end of each accounting year for micro and small enterprises		
– Principal.....	5.07	6.96
– Interest on the above	0.07	0.08
(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.....	412.13	554.91
– Interest paid in terms of Section 16 of the MSMED Act.....	0.20	1.00
(c) Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	0.73	1.36
(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.....	2.38	1.85
(e) Amount of interest accrued and remaining unpaid.....	3.18	3.29

21. Revenue from Operations
Rupees crores

Particulars	2021	2020
(a) From contract with customers for goods and services		
Sale of products.....	43,302.69	43,922.03
Sale of services.....	994.26	975.90
Other operating revenue [^]	419.58	396.83
	44,716.53	45,294.76
(b) From other sources of revenue		
Other operating revenue		
– Government grant and incentives.....	306.96	176.45
– Others.....	17.49	16.57
	324.45	193.02
Total Revenue from Operations	45,040.98	45,487.78

Reconciliation of revenue recognised in the Statement of Profit and Loss with contracted price

Rupees crores

Particulars	2021	2020
Revenue from contract with customer as per the contract price	46,329.37	47,867.42
Less: Trade discounts, volume rebates, returns etc.....	(1,612.84)	(2,572.66)
Revenue from contract with customer as per the statement of Profit and Loss	44,716.53	45,294.76

Revenue disaggregation as per nature of products and services and geography has been included in segment information (refer note 37).

[^] Other operating revenue includes oil royalty and scrap sales.

22. Other Income

Particulars	Rupees crores	
	2021	2020
(a) Interest Income		
– On Financial Assets measured at Amortised Cost	414.87	346.66
– On Financial Assets at Fair Value Through Other Comprehensive Income.....	7.65	45.78
(b) Dividend Income		
– On equity investments in subsidiaries, associates and JV's.....	550.73	1,007.06
– Mutual fund at Fair Value through Profit or Loss	0.04	33.21
(c) Net Gain arising on financial assets/ liabilities measured at Fair Value through profit or loss.....	132.47	4.07
(d) Other non operating income (net of directly attributable expenses).....	115.55	231.03
Total Other Income	1,221.31	1,667.81

23. Cost of materials consumed

Particulars	Rupees crores	
	2021	2020
Opening inventory.....	1,109.75	1,141.97
Add: Purchases	25,349.40	22,841.52
	26,459.15	23,983.49
Less: Closing inventory	1,423.26	1,109.75
Total Cost of materials consumed	25,035.89	22,873.74

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

Particulars	Rupees crores	
	2021	2020
Opening inventories:		
Finished goods	1,379.46	1,670.61
Work-in-progress.....	126.81	126.35
Stock-in-trade.....	551.25	629.18
Manufactured Components	105.72	146.59
	2,163.24	2,572.73
Less: Closing inventories:		
Finished goods	1,614.47	1,379.46
Work-in-progress.....	165.68	126.81
Stock-in-trade.....	486.06	551.25
Manufactured Components	137.03	105.72
	2,403.24	2,163.24
Net (increase)/decrease in inventories	(240.00)	409.49

25. Employee Benefits Expense

Particulars	Rupees crores	
	2021	2020
(a) Salaries and wages, including bonus.....	2,359.58	2,357.32
(b) Contribution to provident and other funds	215.26	220.72
(c) Share based payment to employees.....	92.61	114.50
(d) Staff welfare expenses.....	191.35	187.54
Total Employee Benefits Expense	2,858.80	2,880.08

26. Finance Costs
Rupees crores

Particulars	2021	2020
(a) Interest expense for financial liabilities measured at amortised cost.....	539.75	127.50
Less: Amounts included in the cost of qualifying assets.....	235.06	95.90
	304.69	31.60
(b) Other borrowing costs	66.19	81.63
Total Finance Costs	370.88	113.23

Other borrowing costs includes discounting charges, unwinding of discount on lease and other liabilities.

The weighted average capitalisation rate used to determine the amount of borrowing costs eligible for capitalisation is 6.16% p.a. (2020 : 4.37% p.a)

27. Depreciation, amortisation and impairment expense
Rupees crores

Particulars	2021	2020
(a) Depreciation on Property, Plant and Equipment.....	1,255.75	1,245.80
(b) Amortisation on Right-of-use asset.....	44.52	37.03
(c) Amortisation on Intangible Assets.....	921.74	914.65
(d) Impairment of property, plant & equipment and intangible under development	10.98	25.15
Total Depreciation, amortisation and impairment expense	2,232.99	2,222.63

28. Other Expenses
Rupees crores

Particulars	2021	2020
Advertisements.....	259.42	624.15
Freight outward.....	588.88	686.96
Stores consumed	106.32	110.46
Tools consumed.....	38.80	41.98
Power and Fuel.....	206.53	248.32
Repairs and Maintenance	262.02	346.74
Sales promotion expenses.....	159.46	342.12
Legal and Professional charges [refer note (a)].....	533.83	585.21
Hire and Service charges.....	898.09	864.83
Miscellaneous expenses [refer note (b), (c), (d) & (e)].....	1,123.63	1,533.82
Total Other Expenses	4,176.98	5,384.59

28. Other Expenses (contd.)

- (a) Auditors remuneration (Net of taxes where applicable) included in Legal and Professional charges are as below :

Particulars	2021	2020
<i>Rupees crores</i>		
Statutory Auditors:		
Audit Fees.....	3.65	3.58
Other Services.....	1.93	1.61
Reimbursement of expenses	0.04	0.08
Total	5.62	5.27
Cost Auditors:		
Audit Fees.....	0.08	0.08
Total	0.08	0.08

- (b) Corporate Social Responsibility

As per section 135 of the Companies Act, 2013, the Company is required to spend 2% of its average net profit for the immediately three preceding financial years on CSR.

Particulars	2021	2020
<i>Rupees crores</i>		
a) Gross amount required to be spent by the Company during the year based on 2% of average net profits	112.56	106.56
b) Adjustment for donation to PM CARES fund made in advance of the subsequent year's CSR spend requirement (refer note below).....	(20.00)	20.00
c) Amount approved by the Board to be spent during the year		
d) Balance amount required to be spent during the year (a-b)	92.56	126.56
e) Amount spent during the year on:		
i) Construction/ acquisition of assets held by the Company	—	—
ii) On purposes other than above	92.78	126.59

Excess amount spent on CSR as per Section 135(5) of Companies Act, 2013:

Particulars	2021
<i>Rupees crores</i>	
a) Opening Balance (refer note below).....	20.00
b) Amount required to be spent during the year	112.56
c) Amount spent during the year	92.78
d) Closing Balance (a-b+c).....	0.22

Note:

On 31st March 2020, the Company donated Rs. 20.00 crores to the PM CARES Fund for Covid-19 in advance against the CSR spend requirement of the financial year 2020-21. As confirmed by Ministry of Corporate Affairs vide Circular dated 20th May, 2021 allowing set off of the same against the spend requirement of financial year 2020-21 subject to meeting of certain conditions, the Company has complied with those conditions and accordingly considered the amount donated to PM CARES fund as amount spent towards the spend requirement of the current year 2020-21.

Amount recognised as expense in profit or loss is **Rs. 92.78 crores** (2020 : 126.59 crores).

- (c) Donations given to New Democratic Electoral Trust **Rs. NIL** (2020 : Rs. 23.00 crores).
(d) The foreign exchange gain (net) recognised in profit or loss is **Rs. 30.28 crores** (2020 : loss of Rs. 0.12 crores).
(e) Short term lease expenses recognised during the year is **Rs. 45.13 crores** (2020 : Rs. 75.35 crores).

29. Exceptional Items (net)

The Company classifies items of income and expense within profit or loss from ordinary activities as exceptional items when they are of such size, nature or incidence that their disclosure is relevant to explain the performance for the period.

Exceptional Items (net) recognised in profit or loss

Particulars	Rupees crores	
	2021	2020
Profit on transfer/sale of certain long term investments*.....	258.33	1,367.05
Impairment loss on certain long term investments and other exposures.....	(3,921.60)	(3,381.03)
Total	(3,663.27)	(2,013.98)

* includes gain received due to sale of investment held by M&M Benefit Trust **Rs. NIL** (2020 : Rs. 972.10 crores).

The Company has long-term investments in subsidiaries, associates and joint ventures which are measured at cost less impairment or at fair value through profit or loss. The management assesses the performance of these entities including the future projections and relevant economic and market conditions in which they operate to identify if there is any indicator of impairment in the carrying value of the investments. In case indicators of impairment exist, the impairment loss is measured by estimating the recoverable amounts based on the higher of (i) 'fair value less cost of disposal' determined using market price information, where available, and (ii) 'value-in-use' estimates determined using discounted cash flow projections, where available. The fair value less costs of disposal is determined using the market approach. The future cash flow projections are specific to the entity based on its business plan and may not be the same as those of market participants. The future cash flows consider key assumptions such as volume projections, margins, terminal growth rates, etc. with due consideration for the potential risks given the current economic environment in which the entity operates. The discount rates used are pre-tax rates based on weighted average cost of capital and reflects market's assessment of the risks specific to the asset as well as time value of money. The recoverable amount estimates are based on judgments, estimates, assumptions and market data as on reporting date and ignore subsequent changes in the economic and market conditions.

During the year ended 31st March, 2021, the performance of certain subsidiaries, associates and joint ventures along with the relevant economic and market indicators including the impact of certain capital allocation changes and uncertainties arising from Covid-19 resulted in indicators of impairment in respect of certain entities. Accordingly, the Company determined the recoverable amounts of the long term assets and other exposures related to these entities and recorded a provision of **Rs. 3,921.60 crores** (2020 : Rs. 3,381.03 crores) for the year ended 31st March, 2021. The value-in-use calculation use discount rates ranging from 12.0% - 25.0% and the terminal growth rates ranging from 2.0% - 7.0%.

30. Earning Per Share (EPS)

Particulars	Rupees crores	
	2021	2020
Profit for the year (Rupees crores).....	268.66	1,330.55
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	1,19,38,39,894	1,19,22,28,305
Effect of potential Dilutive Ordinary (Equity) Shares.....	50,10,630	45,90,921
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.....	1,19,88,50,524	1,19,68,19,226
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	2.25	11.16
Diluted Earnings per share (Rs.)	2.24	11.12

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.

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	
	2021	2020	2021	2020	2021	2020
i Amounts recognised in profit or loss						
Current service cost	61.84	65.21	2.07	3.07	2.37	3.16
Past service cost	—	—	—	—	1.02	12.52
Net interest expense.....	(1.12)	7.98	2.29	3.38	5.53	4.77
Total amount included in employee benefits expense	60.72	73.19	4.36	6.45	8.92	20.45
ii Amounts recognised in other comprehensive income						
Remeasurement (gains)/losses:						
a) Actuarial (gains)/losses arising from changes in -						
– financial assumptions.....	31.85	(18.53)	3.21	2.43	3.66	4.13
– demographic assumptions.....	—	(17.07)	—	(7.40)	—	—
– experience adjustments.....	(31.45)	(12.31)	10.67	(12.20)	(1.78)	(2.07)
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(3.04)	(4.86)	—	—	—	—
Total amount recognised in other comprehensive income	(2.64)	(52.77)	13.88	(17.17)	1.88	2.06

31. Employee Benefits (contd.)

A. Details of defined benefit plans as per actuarial valuation are as below: (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans			
	Gratuity		Post retirement medical		Post retirement housing allowance	
	2021	2020	2021	2020	2021	2020
iii Changes in the defined benefit obligation						
Opening defined benefit obligation.....	791.00	805.80	34.12	45.82	83.50	65.19
Current service cost	61.84	65.21	2.07	3.07	2.37	3.16
Past service cost	—	—	—	—	1.02	12.52
Interest expense.....	49.60	55.41	2.29	3.38	5.53	4.77
Remeasurements (gains)/ losses arising from changes in -						
– financial assumptions	31.85	(18.53)	3.21	2.43	3.66	4.13
– demographic assumptions	—	(17.07)	—	(7.40)	—	—
– experience adjustments.....	(31.45)	(12.31)	10.67	(12.20)	(1.78)	(2.07)
Benefits paid	(64.35)	(87.51)	(1.47)	(0.98)	(6.13)	(4.20)
Closing defined benefit obligation.....	838.49	791.00	50.89	34.12	88.17	83.50
iv Changes in fair value of plan assets during the year						
Opening fair value of plan assets	767.29	659.45	—	—	—	—
Interest income	50.72	47.43	—	—	—	—
Return on plan assets excluding interest income	3.04	4.86	—	—	—	—
Contribution by employer.....	89.35	143.06	1.47	0.98	6.13	4.20
Benefits paid	(64.35)	(87.51)	(1.47)	(0.98)	(6.13)	(4.20)
Closing fair value of plan assets.....	846.05	767.29	—	—	—	—
v Net defined benefit obligation						
Defined benefit obligation	838.49	791.00	50.89	34.12	88.17	83.50
Fair value of plan assets.....	846.05	767.29	—	—	—	—
Surplus/(Deficit).....	7.56	(23.71)	(50.89)	(34.12)	(88.17)	(83.50)
Current portion of the above.....	—	—	(1.86)	(1.35)	(7.37)	(5.70)
Non current portion of the above	7.56	(23.71)	(49.03)	(32.77)	(80.80)	(77.80)

Particulars	2021	2020
Actuarial Assumptions and Sensitivity		
vi Actuarial assumptions		
Discount rate.....	6.30%	6.85%
Attrition rate.....	10.00%	10.00%
Costs inflation	7 - 9%	7 - 9%
vii Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
One percentage point increase in discount rate	(68.27)	(60.44)
One percentage point decrease in discount rate	78.67	69.27
One percentage point increase in Salary growth rate.....	62.70	56.51
One percentage point decrease in Salary growth rate.....	(55.82)	(50.52)
One percentage point increase in attrition rate	(8.60)	(6.01)

31. Employee Benefits (contd.)

A. Details of defined benefit plans as per actuarial valuation are as below: (contd.)

Particulars	2021	2020
One percentage point decrease in attrition rate	9.71	6.76
One percentage point increase in medical inflation rate.....	6.64	4.32
One percentage point decrease in medical inflation rate.....	(5.61)	(3.66)
viii Maturity profile of defined benefit obligation		
Within 1 year	141.94	140.97
Between 2 and 5 years.....	374.05	360.29
Between 6 and 9 years.....	350.66	339.69
10 years and above.....	906.48	857.77

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	2021	2020
i Net defined benefit obligation		
Defined benefit obligation	2,866.01	2,582.80
Fair value of plan assets.....	2,769.25	2,503.74
Surplus/(Deficit)	(96.76)	(79.06)
ii Actuarial assumptions		
Discount rate.....	6.30%	6.85%
Average remaining tenure of investment portfolio (years).....	5.29	5.39
Guaranteed rate of return.....	8.50%	8.50%

The Company has recognised an obligation of **Rs. 66.61 crores** (2020 : Rs. 79.06 crores) to fund the shortfall on account of interest rate guarantee through OCI. During the year the Company has paid **Rs. 54.32 crores** (2020 : Nil) to the Provident Fund Trust in respect of previous year shortfall.

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. 154.41 crores** (2020 : Rs. 147.43 crores) has been recognised in Profit or Loss under the head Employee Benefits Expense.

32. Employee Stock Option Plan

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

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

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

- i) 5 equal instalments on the expiry of 12 months, 24 months, 36 months, 48 months and 60 months 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 equal instalments on the expiry of 12 months, 24 months and 36 months. or
- iv) 2 equal instalments on the expiry of 12 months and 24 months.

The exercise period of above options range from 1 year to 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.

32. Employee Stock Option Plan (contd.)

Summary of stock options

	No. of stock options	Weighted average exercise price (Rs.)
Options outstanding on 1 st April, 2020.....	66,34,672	4.46
Options granted during the year	11,08,032	5.00
Options forfeited/lapsed during the year	2,34,532	11.06
Options exercised during the year	17,28,702	3.36
Options outstanding on 31 st March, 2021	57,79,470	4.62
Options vested but not exercised on 31 st March, 2021	22,51,577	4.33

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

Date of exercise	Weighted average share price (Rs.)
24 th April 2020 to 13 th March, 2021	643.89

Information in respect of options outstanding as at 31st March, 2021

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50	15,20,216	3.63 years
Rs. 5.00	42,54,254	5.42 years
Rs. 331.00	5,000	0.48 years

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

Grant Date	No. of Years vesting	Fair value per option
9 th November, 2020.....	5 years	Rs. 598.42
9 th November, 2020.....	3 years	Rs. 601.27
9 th November, 2020.....	2 years	Rs. 602.82
25 th March, 2021	3 years	Rs. 799.05

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

	Grant dated			
	9 th Nov, 2020 (5 years vesting)	9 th Nov, 2020 (3 years vesting)	9 th Nov, 2020 (2 years vesting)	25 th Mar, 2021 (3 years vesting)
Risk free interest rate.....	5.26%	4.78%	4.47%	5.26%
Expected life.....	4.90 years	3.50 years	2.75 years	3.50 years
Expected volatility.....	32.02%	34.54%	37.36%	36.25%
Expected dividend yield	0.38%	0.38%	0.38%	0.29%
Exercise Price (Rs.)	5.00	5.00	5.00	5.00
Stock Price (Rs.)	613.60	613.60	613.60	811.40

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. 92.61 crores** (2020 : Rs.114.50 crores) being expenses on account of share based payments, after adjusting for reversals on account of options forfeited. The amount excludes **Rs. 4.60 crores** (2020 : Rs. 6.70 crores) charged to its subsidiaries 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	
	2021	2020
Total Shareholders' Equity as reported in Balance Sheet	34,501.92	34,467.84
Net Debt		
Short term debt.....	24.74	900.00
Long term debt (including current portion of long term debt).....	7,642.07	2,167.95
Gross Debt	7,666.81	3,067.95
Less:		
Current investments.....	4,488.47	2,189.65
Cash and Bank Balances.....	6,265.33	4,288.29
Net Debt	(3,086.99)	(3,409.99)
Total Capital deployed	31,414.93	31,057.85

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, 2021					
Financial assets.....	1,062.62	1,552.88	14.70	130.41	2,760.61
Financial liabilities.....	285.78	480.42	2.76	411.39	1,180.35
As at 31st March, 2020					
Financial assets.....	578.40	133.99	22.31	172.96	907.66
Financial liabilities.....	258.27	451.51	2.57	56.86	769.21

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

Outstanding Contracts	2021		2020	
	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>				
— EUR.....	428.75	(62.94)	414.10	(53.98)
<i>Sell currency</i>				
— USD.....	262.81	8.91	594.38	(17.50)
— EUR.....	1,514.77	65.77	—	—
— ZAR.....	269.33	(3.67)	87.41	15.16
Total		8.07		(56.32)

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:-

Particulars	2021	2020
<i>Sell currency</i>		
— USD	237.70	7.56

(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

Outstanding Contracts	2021		2020	
	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)
Cash Flow Hedges				
<i>Floating to fixed Interest Rate Swaps</i>	428.75	(0.72)	414.10	(1.19)
Total		(0.72)		(1.19)

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		2021			2020		
		Exchange Rate Risk hedges	Interest Rate Risk hedges	Total	Exchange Rate Risk hedges	Interest Rate Risk hedges	Total
Balance as at the beginning of the year.....	Gross	(9.15)	(1.19)	(10.34)	25.37	(0.43)	24.94
	Deferred tax	2.30	0.29	2.59	(8.87)	0.14	(8.73)
Balance as at the beginning of the year (net).....		(6.85)	(0.90)	(7.75)	16.50	(0.29)	16.21
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transactions		1.11	—	1.11	(37.80)	—	(37.80)
Change in Fair Value of Effective Portion of cash flow hedges		(4.39)	0.47	(3.92)	3.28	(0.76)	2.52
Total		(3.28)	0.47	(2.81)	(34.52)	(0.76)	(35.28)
Deferred tax effect on above.....		0.83	(0.11)	0.71	8.69	0.19	8.88
Effect of change in tax rate on opening balances.....		—	—	—	2.48	(0.04)	2.44
Balance as at the end of the year.....	Gross	(12.43)	(0.72)	(13.15)	(9.15)	(1.19)	(10.34)
	Deferred tax	3.12	0.18	3.30	2.30	0.29	2.59
Balance as at the end of the year (net)		(9.31)	(0.54)	(9.85)	(6.85)	(0.90)	(7.75)
Of the above:							
Balance relating to continuing hedges.....		(9.31)	(0.54)	(9.85)	(6.85)	(0.90)	(7.75)
Total		(9.31)	(0.54)	(9.85)	(6.85)	(0.90)	(7.75)

(d) Sensitivity Analysis

(i) 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, 2021	USD	+10%	44.41	(23.70)
	EUR	+10%	(1.36)	—
Year ended 31 st March, 2020	USD	+10%	14.52	(43.82)
	EUR	+10%	9.66	—

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

(ii) Interest Rate sensitivity

The sensitivity 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, 2021	EUR	+25	—	0.27
	INR	+25	7.63	—
Year ended 31 st March, 2020	EUR	+25	—	1.32
	INR	+25	—	—

34. Financial instruments (contd.)

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 would 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 and maximum exposure details are as given below:

<i>Rupees crores</i>		
Particulars	2021	2020
Maximum exposure	1,264.57	797.57
Amount recognised as liability	368.67	29.77

(b) Trade Receivables

The Company applies the simplified approach to provide 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:-

<i>Rupees crores</i>		
Particulars	2021	2020
Dealer Deposits	3.23	10.64
Bank Guarantees.....	733.02	647.23
Others (including Letter of Credit).....	49.29	51.19

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

<i>Rupees crores</i>				
Particulars	Not due	0-6 months past due	> 6 months	Total
As at 31st March, 2021				
Gross carrying amount	289.57	1,903.92	377.72	2,571.21
Loss allowance provision.....	-	(28.18)	(200.18)	(228.36)
Net.....	289.57	1,875.74	177.54	2,342.85
As at 31st March, 2020				
Gross carrying amount	40.57	2,602.81	513.90	3,157.28
Loss allowance provision.....	-	(8.44)	(149.86)	(158.30)
Net.....	40.57	2,594.37	364.04	2,998.98

Reconciliation of loss allowance for Trade Receivables

<i>Rupees crores</i>		
Particulars	2021	2020
Balance as at beginning of the year	(158.30)	(69.54)
Additions during the year.....	(106.04)	(104.48)
Amounts written off during the year.....	8.36	2.90
Amount of loss reversed/written back.....	27.62	12.82
Balance as at end of the year	(228.36)	(158.30)

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.

34. Financial instruments (contd.)

3. Liquidity Risk Management

(a) Maturity profile of non-derivative financial liabilities

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

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 Years and above
As at 31st March, 2021				
Short term borrowings - Principal.....	24.74	—	—	—
Short term borrowings - Interest.....	0.08	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal*.....	528.25	4,037.95	1,896.65	1,055.24
Long term borrowings (including Current maturities of long term debt) - Interest.....	442.21	663.64	255.97	1,796.67
Lease liabilities.....	44.86	79.71	19.15	5.38
Trade payables.....	9,988.16	—	—	—
Other Financial Liabilities.....	797.12	23.55	1.79	365.18
Financial Guarantees.....	1,264.57	—	—	—
Total	13,089.99	4,804.85	2,173.56	3,222.47
As at 31st March, 2020				
Short term borrowings - Principal.....	900.00	—	—	—
Short term borrowings - Interest.....	59.20	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal*.....	94.88	620.29	208.69	1,134.25
Long term borrowings (including Current maturities of long term debt) - Interest.....	86.62	168.87	167.42	1,880.37
Lease liabilities.....	42.31	72.70	10.19	6.15
Trade payables.....	6,785.83	—	—	—
Other Financial Liabilities.....	855.74	25.59	1.45	360.96
Financial Guarantees.....	797.57	—	—	—
Total	9,622.15	887.45	387.75	3,381.73

* Excluding lease liabilities

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 (Other than financial guarantee exposure towards SsangYong Motor Company).

(b) Maturity profile of derivative financial liabilities

The following table details the Company's liquidity analysis for its derivative financial liabilities other than derivatives on Interest in Subsidiaries, Associates and Joint Ventures. When the amount payable 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, 2021	70.60	—	—
As at 31st March, 2020	35.72	54.44	—

4. **Offsetting of balances:** The Company has not offset financial assets and financial liabilities.

5. 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. The company has also availed secured short term loan facilities against lien on non-callable fixed deposits of the equivalent amount.

34. Financial instruments (contd.)

6. 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 (for level 2 and level 3)	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
			2021	2020					
1) Foreign currency forwards, Options, Interest rate swaps & Commodity derivatives	Financial Assets	Financial instruments measured at FVTPL/ FVTOCI	99.04	18.49	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	Financial instruments measured at FVTPL/ FVTOCI	70.60	90.16	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	Financial instruments measured at FVTPL	104.96	116.92	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.	Interest Rates to discount future cash flow, market multiple used for companies.	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 and joint ventures.
4) Derivatives on Interest in Subsidiaries, Associates and Joint Ventures	Financial Liabilities	Financial instruments measured at FVTPL	116.38	92.51	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.	Interest Rates to discount future cash flow. Financial Projections	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of derivatives on interest in subsidiaries and associates and joint ventures.
5) Investment in Market Linked Debentures	Financial Assets	Financial instruments measured at FVTPL	97.66	201.57	Level 1	Quoted market price	—	—	—
6) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instruments measured at FVTPL	4,370.59	1,482.58	Level 1	Net Asset value	—	—	—
7) Investment in equity instruments -Quoted	Financial Assets	Financial instruments designated at FVTOCI	1.10	0.55	Level 1	Quoted bid price in active market	—	—	—
8) Equity investments- Unquoted	Financial Assets	Financial instruments designated at FVTOCI	65.62	30.62	Level 3	Discounted Cash Flow Income Approach	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.	Financial projections and discount rates to discount future cash flows.	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of the equity component and/or the debt component.
9) Investments in Debentures/Bonds	Financial Assets	Financial instruments measured at FVTOCI	31.97	42.07	Level 1	Quoted market price	—	—	—
10) Commercial Papers and Certificate of Deposits	Financial Assets	Financial instruments measured at FVTOCI	—	321.31	Level 1	Market price	—	—	—
11) Investments in Optionally Redeemable Preference Shares/Optionally Convertible Debentures	Financial Assets	Financial instruments measured at FVTPL	46.29	37.73	Level 3	Discounted Cash Flow method	For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.	Financial projections and discount rates to discount future cash flows.	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of the equity component and/or the debt component.

34. Financial instruments (contd.)

6. 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 in Subsidiaries, Associates and Joint Ventures (Net)	Investments in Optionally Convertible Preference Shares/Optionally Convertible Debentures	Total
Year Ended 31st March, 2021				
Opening balance of fair value	30.62	24.41	37.73	92.76
Total incomes/gains or losses recognised:				
— in profit or loss	—	(38.68)	8.56	(30.12)
— unrealised gains or losses during the year related to assets & liabilities existing on balance sheet date	—	(38.68)	8.56	(30.12)
Fair value of:				
— purchases/contracts entered during the year	35.00	—	—	35.00
— disposals/contracts realised during the year	—	2.85	—	2.85
Closing balance of fair value.....	65.62	(11.42)	46.29	100.49
Year Ended 31st March, 2020				
Opening balance of fair value	0.31	272.20	—	272.51
Total incomes/gains or losses recognised:				
— in profit or loss	—	(156.03)	(30.27)	(186.30)
— unrealised gains or losses during the year related to assets & liabilities existing on balance sheet date	—	(156.03)	(30.27)	(186.30)
Fair value of:				
— purchases/contracts entered during the year	30.46	(10.07)	68.00	88.39
— disposals/contracts realised during the year	(0.15)	(81.69)	—	(81.84)
Closing balance of fair value.....	30.62	24.41	37.73	92.76

(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, 2021		
Non Current Investments		
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares : Mahindra Vehicle Manufacturers Limited	600.00	558.80
Non Current Loans		
Mahindra Overseas Investment Company (Mauritius) Limited.....	1,514.77	1,518.60
Non Current Borrowings		
— Debentures.....	3,463.75	3,562.18
— Term Loans.....	3,050.00	3,050.00

34. Financial instruments (contd.)

6. Fair Value Disclosures (contd.)

(b) Financial Instruments not measured using Fair Value i.e. measured using amortized cost (contd.)

Rupees crores

Particulars	Carrying Value	Fair value (Level 2)
— Other loans	476.09	413.51
As at 31st March, 2020		
Non Current Investments		
6.50% Cumulative Redeemable Non-convertible and Non participating Preference shares : Mahindra Vehicle Manufacturers Limited	600.00	540.82
Non Current Borrowings		
— Debentures.....	973.96	1,018.50
— Other loans	575.79	463.41

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	46	Kiinteistö Oy Mällönsieni
2	Anthurium Developers Limited	47	Kiinteistö Oy Rauhan Liikekiinteistöt 1
3	Arabian Dreams Hotel Apartments LLC	48	Kiinteistö Oy Rauhan Ranta 1
4	Are Villa 3 AB	49	Kiinteistö Oy Rauhan Ranta 2
5	Astra Solren Private Limited	50	Kiinteistö Oy Spa Lofts 2
6	Auto Digitech Private Limited (upto 24 th February 2021)	51	Kiinteistö Oy Spa Lofts 3
7	Automobili Pininfarina Americas Inc	52	Kiinteistö Oy Tenetinlahti
8	Automobili Pininfarina GmbH	53	Kiinteistö Oy Tiurunniemi
9	Bristlecone (Malaysia) Sdn. Bhd.	54	Kiinteistö Oy Vanha Ykköstii
10	Bristlecone (Singapore) Pte. Limited	55	Knowledge Township Limited
11	Bristlecone Consulting Limited	56	Kota Farm Services Limited
12	Bristlecone GmbH	57	Lords Freight (India) Private Limited
13	Bristlecone Inc.	58	M&M Benefit Trust
14	Bristlecone India Limited	59	Mahindra & Mahindra Contech Limited
15	Bristlecone International AG	60	Mahindra & Mahindra ESOP Trust
16	Bristlecone Limited	61	Mahindra & Mahindra Financial Services Limited ESOP Trust
17	Bristlecone Middle East DMCC	62	Mahindra & Mahindra Financial Services Limited
18	Bristlecone UK Limited	63	Mahindra Agri Solutions Limited
19	Covington S.a.r.l.	64	Mahindra Airways Limited
20	Dia Computer Service Co., Ltd.	65	Mahindra and Mahindra South Africa (Proprietary) Limited
21	Deep Mangal Developers Private Limited	66	Mahindra Armored Vehicles Jordan, LLC.
22	Divine Solren Private Limited (upto 14 th April 2020)	67	Mahindra Auto Steel Private Limited
23	Erkunt Sanayi A.S.	68	Mahindra Automobile Distributor Private Limited
24	Erkunt Traktor Sanayii A.S.	69	Mahindra Automotive Australia Pty. Limited
25	Gables Promoters Private Limited	70	Mahindra Automotive Mauritius Limited
26	Graphic Research Design s.r.l. (upto 31 st March 2020)	71	Mahindra Automotive North America Inc.
27	Gromax Agri Equipment Limited	72	Mahindra Bangladesh Private Limited
28	HCR Management Oy	73	Mahindra Bloomdale Developers Limited
29	Heritage Bird (M) Sdn. Bhd.	74	Mahindra Construction Company Limited
30	Hisarlar thalat hracat Pazarlama Anonim irketi	75	Mahindra Consulting Engineers Limited
31	Hisarlar Makina Sanayi ve Ticaret Anonim irketi	76	Mahindra Defence Systems Limited
32	Holiday Club Canarias Investments S.L.U.	77	Mahindra do Brasil Industrial Ltda.
33	Holiday Club Canarias Resort Management S.L.U.	78	Mahindra Publications Limited (formerly known as Mahindra 'Electoral Trust' Company)
34	Holiday Club Canarias Sales & Marketing S.L.U.	79	Mahindra Electric Mobility Limited
35	Holiday Club Canarias Vacation Club SLU	80	Mahindra Electrical Steel Private Limited
36	Holiday Club Resorts Oy	81	Mahindra eMarket Limited
37	Holiday Club Resorts Rus LLC	82	Mahindra Emirates Vehicle Armouring FZ-LLC
38	Holiday Club Sport and Spahotels AB	83	Mahindra Engineering and Chemical Products Limited
39	Holiday Club Sweden Ab	84	Mahindra EPC Irrigation Limited
40	Industrial Township (Maharashtra) Limited	85	Mahindra Europe s.r.l.
41	Infinity Hospitality Group Company Limited	86	Mahindra Finance CSR Foundation
42	Kiinteistö Oy Himos Gardens	87	Mahindra First Choice Services Limited (upto 24 th February 2021)
43	Kiinteistö Oy Katinnurkka	88	Mahindra First Choice Wheels Limited
44	Kiinteistö Oy Kuusamon Pulkajärvi 1	89	Mahindra First Choice Wheels Limited ESOP Trust
45	Kiinteistö Oy Kylpyläntorni 1	90	Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.
		91	Mahindra Greenyard Private Limited

35. Related Party Disclosures: (contd.)

(a) Related parties where control exists: (contd.)
Subsidiaries: (contd.)

Sr. No.	Name of the entity	Sr. No.	Name of the entity
92	Mahindra Heavy Engines Limited	136	Meru Travel Solutions Private Limited
93	Mahindra Holdings Limited	137	MH Boutique Hospitality Limited
94	Mahindra Holidays & Resorts India Limited	138	MHR Holdings (Mauritius) Limited
95	Mahindra Holidays & Resorts India Limited ESOP Trust	139	Mitsubishi Mahindra Agricultural Machinery Co. Ltd.
96	Mahindra Hotels and Residences India Limited	140	Mitsubishi Agricultural Machinery Sales co., Ltd. (formerly Mitsubishi Noki Hanbai Co. Limited)
97	Mahindra HZPC Private Limited	141	Moonshine Construction Private Limited
98	Mahindra Infrastructure Developers Limited	142	MRHFL Employee Welfare trust (ESOP)
99	Mahindra Insurance Brokers Limited	143	MSPE URJA S.R.L.
100	Mahindra Integrated Business Solutions Private Limited	144	Mumbai Mantra Media Limited
101	Mahindra Integrated Township Limited	145	NBS International Limited
102	Mahindra Intertrade Limited	146	Neo Solren Private Limited
103	Mahindra Lifespace Developers Limited	147	New Democratic Electoral Trust
104	Mahindra Logistics Limited	148	OFD Holding B.V.
105	Mahindra Marine Private Limited	149	Officemartindia.com Limited
106	Mahindra Mexico S. de. R. L.	150	Origin Direct Asia (Shanghai) Trading Co. Ltd.
107	Mahindra MiddleEast Electrical Steel Service Centre (FZC)	151	Origin Direct Asia Ltd.
108	Mahindra MSTC Recycling Private Limited	152	Origin Fruit Direct B.V.
109	Mahindra Namaste Limited	153	Origin Fruit Services South America SpA
110	Mahindra North American Technical Center, Inc.	154	Ownership Services Sweden Ab
111	Mahindra Overseas Investment Company (Mauritius) Limited	155	Peugeot Motocycles Deutschland GmbH
112	Mahindra Racing UK Limited	156	Peugeot Motocycles Italia S.p.A.
113	Mahindra Renewables Private Limited	157	Peugeot Motocycles S.A.S.
114	Mahindra Residential Developers Limited	158	PMTC Engineering SpA
115	Mahindra Retail Limited	159	PT Mahindra Accelo Steel Indonesia
116	Mahindra Rural Housing Finance Limited	160	Rathna Bhoomi Enterprises Private Limited
117	Mahindra Steel Service Centre Limited	161	Retail Initiative Holdings Limited
118	Mahindra Susten Bangladesh Private Limited	162	Ryono Asset Management Co., Ltd.
119	Mahindra Susten Private Limited	163	Ryono Engineering Co., Ltd.
120	Mahindra Telecom Energy Management Services Limited	164	Ryono Factory Co., Ltd.
121	Mahindra Teqo Private Limited	165	SsangYong Australia Pty Limited (upto 28 th December 2020)
122	Mahindra Tractor Assembly Inc.	166	SsangYong European Parts Center B.V. (upto 28 th December 2020)
123	Mahindra Trucks and Buses Limited (merged with Mahindra Two Wheelers Limited w.e.f. 31 st July 2020)	167	SsangYong Motor (Shanghai) Company Limited (upto 28 th December 2020)
124	Mahindra Two Wheelers Europe Holdings S.a.r.l.	168	SsangYong Motor Company (upto 28 th December 2020)
125	Mahindra Two Wheelers Limited	169	Sunrise Initiatives Trust
126	Mahindra USA Inc.	170	Suomen Vapaa-aikakiinteistöt Oy LKV
127	Mahindra Vehicle Manufacturers Limited	171	Supermarket Capri Oy
128	Mahindra Vehicle Sales and Service Inc.	172	Trringo.com Limited
129	Mahindra Water Utilities Limited	173	V-Link Automotive Services Private Limited
130	Mahindra West Africa Limited	174	V-Link Fleet Solutions Private Limited
131	Mahindra World City (Maharashtra) Limited	175	MSPL International DMCC
132	Mahindra Waste To Energy Solutions Limited	176	Fifth Gear Ventures Limited
133	Martial Solren Private Limited (w.e.f. 27 th August 2020)	177	Mahindra Consulting Engineers Limited ESOP Trust
134	Mega Suryaurja Private Limited		
135	Meru Mobility Tech Private Limited		

35. Related Party Disclosures: (contd.)

(b) 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	4	Mahindra Finance USA LLC
2	Tech Mahindra Limited	5	PSL Media & Communications Limited
3	Brainbees Solutions Private Limited	6	Resson Aerospace Corporation
<i>Subsidiaries of Associate</i>			
1	Mahindra CIE Automotive Limited	5	Satyam Venture Engineering Services Private Limited
2	PF Holdings B.V.	6	Tech Mahindra (Shanghai) Co. Limited
3	Pininfarina Engineering S.R.L	7	Mahindra Educational Institutions
4	Pininfarina S.p.A.		

(ii) Joint Ventures:

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1	Classic Legends Private Limited	9	Mahindra Ideal Lanka (Private) Limited
2	Carnot Technologies Private Limited	10	Sampo Rosenlew Oy
3	Mahindra Aerospace Private Limited	11	M.I.T.R.A. Agro Equipments Private Limited
4	Mahindra Sanyo Special Steel Private Limited	12	Smartshift Logistics Solutions Private Limited
5	Mahindra World City (Jaipur) Limited	13	Mahindra Telephonics Integrated Systems Limited
6	Mahindra World City Developers Limited	14	Mahindra Happinest Developers Limited
7	Mahindra-BT Investment Company (Mauritius) Limited	15	Mahindra Inframan Water Utilities Private Limited
8	Brightsolar Renewable Energy Private Limited		
<i>Subsidiaries of Joint Venture</i>			
1	Gippsaero Pty. Limited	3	Zoomcar India Private Limited
2	Mahindra Aerostructures Private Limited	4	Mahindra Industrial Park Chennai Limited
<i>Joint Venture of Subsidiary</i>			
1	Mahindra Homes Private Limited	3	Marvel Solren Private Limited
2	Mahindra Summit Agriscience Limited	4	Mahindra Manulife Investment Management Private Limited (formerly known as Mahindra Asset Management Company Private Limited)

(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	Dr. Anish Shah \$	Deputy Managing Director and Group CFO
4	Mr. Rajesh Jejurikar (w.e.f. 1 st April, 2020)	Executive Director (Auto and Farm Sectors)
5	Mrs. Nisaba Godrej (w.e.f. 8 th August, 2020)	Independent Director
6	Mr. Nadir B. Godrej (upto 8 th August, 2020)	Independent Director
7	Mr. Muthiah Murugappan (w.e.f. 8 th August, 2020)	Independent Director
8	Mr. M. M. Murugappan (upto 8 th August, 2020)	Independent Director
9	Dr. Vishakha N. Desai	Independent Director
10	Mr. Vikram Singh Mehta	Independent Director
11	Mr. R. K. Kulkarni	Independent Director
12	Mr. Anupam Puri	Independent Director
13	Mr. T. N. Manoharan	Independent Director
14	Mr. Vijay Kumar Sharma	Nominee Director
15	Mr. Haigreve Khaitan	Independent Director
16	Mrs. Shikha Sharma	Independent Director
17	Mr. CP Gurnani (w.e.f. 1 st April, 2020)	Non-Executive Non-Independent Director

upto 1st April, 2021

\$ Effective 2nd April, 2021, Dr. Anish Shah has been appointed as Managing Director and CEO and Mr. Manoj Bhat has been appointed as Group Chief Financial Officer of the Company.

(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	Dr. T. N. Gajendran

35. Related Party Disclosures: (contd.)

(b) Other parties with whom transactions have taken place during the year: (contd.)

Sr. No.	Entities controlled/jointly controlled by KMP
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

(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:	2021	8,316.09	2,129.53	11.98	—	—	—	—
	Services.....	2021	1,858.52	176.60	8.51	—	—	—	—
		2020	1,998.24	210.91	6.96	—	—	—	—
	Property, Plant and Equipment	2021	5.43	0.69	0.07	—	—	—	—
		2020	47.72	7.83	0.05	—	—	—	—
	Intangible Assets.....	2021	180.00	7.19	—	—	—	—	—
		2020	472.39	28.72	—	—	—	—	—
2.	Sales:	2021	1,807.84	1.09	429.82	—	—	—	—
		2020	2,473.51	9.02	366.77	—	—	—	—
	Property, Plant and Equipment	2021	2.03	0.15	—	—	—	—	—
		2020	1.21	0.05	—	—	—	—	—
	Services.....	2021	97.12	2.21	25.73	—	0.44	—	—
		2020	44.61	2.89	16.20	—	—	—	—
3.	Investments:	2021	4,836.26	68.29	289.57	—	—	—	—
	Purchased/Subscribed/ Conversion/Bonus*	2021	144.51	—	—	—	—	—	—
		2020	1,242.45	—	—	—	—	—	—
	Sold/Redeemed/Tendered under merger scheme	2021	—	—	—	—	—	—	—
		2020	—	446.50	—	—	—	—	—
Proceeds from buyback of shares	2021	—	—	—	—	—	—	—	
	2020	—	—	—	—	—	—	—	

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
4.	Deputation of Personnel: From Parties.....	2021	13.69	—	—	—	—	—	—
		2020	7.55	0.04	—	—	—	—	—
	To Parties	2021	12.14	6.09	0.89	—	—	—	—
		2020	21.13	5.27	2.63	—	—	—	—
5.	Managerial Remuneration	2021	—	—	—	33.25	—	—	—
		2020	—	—	—	18.75	—	—	—
6.	Stock Options	2021	—	—	—	2.05	—	—	—
		2020	—	—	—	—	—	—	—
7.	Commission and other benefits to Non-executive/independent directors (including nominee directors) **	2021	—	—	—	3.73	—	—	—
		2020	—	—	—	3.52	—	—	—
8.	Finance: Loans/Inter Corporate Deposits given.....	2021	2,725.98	—	—	5.65	—	—	—
		2020	351.11	—	2.95	—	—	—	—
	Loans/Inter Corporate Deposits refunded by parties	2021	280.50	—	—	8.25	—	—	1.00
		2020	550.61	—	—	—	—	—	—
	Interest Income	2021	76.70	—	0.42	0.38	—	—	—
		2020	76.02	—	0.30	0.49	—	—	—
	Dividend received	2021	30.77	519.96	—	—	—	—	—
		2020	382.26	624.80	—	—	—	—	—
	Share Application Money Given	2021	—	—	—	—	—	—	—
		2020	8.26	—	15.60	—	—	—	—
9.	Dividends Distributed	2021	29.99	—	—	0.73	0.19	33.26	0.30
		2020	115.30	—	—	2.59	0.69	120.29	1.09
10.	Guarantees Given.....	2021	1,981.67	—	42.88	—	—	—	—
		2020	965.13	—	41.41	—	—	—	—
11.	Other Transactions: Other Income	2021	34.25	9.98	0.52	—	—	—	—
		2020	124.79	13.70	2.03	—	0.42	—	—

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
	Other Expenses.....	2021	137.81	0.22	0.79	—	0.23	—	—
		2020	336.62	1.17	0.46	—	0.14	—	—
	Reimbursements received from parties.....	2021	212.22	7.90	18.25	—	0.02	—	38.13
		2020	266.12	8.27	13.38	—	0.01	—	76.96
	Reimbursements made to parties.....	2021	59.30	—	0.32	—	—	—	—
		2020	70.85	0.04	0.01	—	—	—	—

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	2021	1,022.35	397.95	2.60	4.32	—	—	—
		2020	749.70	193.74	0.13	4.19	—	—	—
	Trade and Other Receivable ...	2021	933.78	6.81	123.46	8.07	1.90	—	54.13
		2020	1,122.43	11.67	36.62	10.73	2.01	—	41.88
	Loans/Inter Corporate Deposits outstanding.....	2021	2,193.81	—	2.75	—	—	—	—
		2020	390.63	—	2.99	—	—	—	—
13.	Guarantees given***	2021	233.96	529.68	42.88	—	—	—	—
		2020	244.63	511.54	41.41	—	—	—	—

* includes shares received of Mahindra Two Wheelers Limited in a share swap deal on merger of Mahindra Trucks and Buses Limited

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

*** SsangYong Motor Company was related party upto 28th December, 2020, hence only transaction upto that period reported.

35. Related Party Disclosures: (contd.)

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 G. Mahindra	2021	3.97
			2020	3.96
		Dr. Pawan Goenka	2021	4.66
			2020	4.70
		Dr. Anish Shah	2021	8.15
			2020	—
		Mr. Rajesh Jejurikar	2021	5.47
			2020	—
2.	Stock Options	Dr. Anish Shah	2021	0.91
			2020	—
		Mr. Rajesh Jejurikar	2021	1.14
			2020	—
3.	Commission.....	Mr. Anand G. Mahindra	2021	4.32
			2020	4.19
		Dr. Pawan Goenka	2021	4.89
			2020	4.72
4.	Other Contribution to Funds	Mr. Anand G. Mahindra	2021	0.57
			2020	0.56
		Dr. Pawan Goenka	2021	0.64
			2020	0.62
		Dr. Anish Shah	2021	0.35
			2020	—
		Mr. Rajesh Jejurikar	2021	0.23
			2020	—

36. Disclosure required under Section 186(4) of the Companies Act, 2013 for Loans and Guarantees (net of provision):

Rupees crores

Sr. No.	Name	Relation	2021	2020
1.	Inter Corporate deposits and Loans			
	Mahindra Overseas Investment Company (Mauritius) Limited	Subsidiary	1,599.22	85.54
	Mahindra Rural Housing Finance Limited	Subsidiary	50.00	200.00
	SsangYong Motor Company	Refer Note (d)	109.34	—
	Mahindra Electric Mobility Limited	Subsidiary	70.00	—
	Mahindra Vehicle Manufacturers Limited	Subsidiary	470.00	—
	Mahindra & Mahindra Financial Services Limited	Subsidiary	—	100.00
	Mahindra Ideal Lanka	Joint Venture	2.75	2.99
	Mahindra First Choice Services Ltd		15.00	—
	Mahindra Integrated Business Solutions Limited	Subsidiary	—	0.50
	Kotak Mahindra Investment Limited		50.00	150.00
	Kotak Mahindra Prime Limited		—	50.00
			2,366.30	589.03

Sr. No.	Name	Relation	2021		2020	
			Outstanding	Recognized in Balance Sheet	Outstanding	Recognized in Balance Sheet
2.	Guarantees					
	SsangYong Motor Company	Refer Note (d)	458.05	343.54	—	—
	Mahindra Racing UK Limited	Subsidiary	—	—	18.65	—
	Peugeot Motorcycles S.A.S.	Subsidiary	233.97	—	225.97	—
	Sampo Rosenlew Oy	Joint Venture of Company	42.88	—	41.41	—
	PF Holding B.V.	Subsidiary of Associate	529.68	25.14	511.54	29.77

- Note:
- Inter corporate deposits given and repaid during the year amounting to **Rs. 30.00 crores** (2020 : Rs. 300.61 crores) were given to Mahindra Electric Mobility Limited (Subsidiary of Subsidiary Company).
 - 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.
 - As on 31st Mar 2021, SsangYong Motor Company is subsidiary as per Companies Act, 2013.

37. 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	2021						2020					
	Automotive	Farm Equipment	Other	Total Segment	Eliminations	Total	Automotive	Farm Equipment	Other	Total Segment	Eliminations	Total
Revenue												
External Revenue	24,984.53	18,264.86	1,791.59	45,040.98		45,040.98	28,388.36	15,162.22	1,937.20	45,487.78		45,487.78
Inter Segment Revenue	30.08	168.39	0.71	199.18	(199.18)	—	20.27	240.23	0.53	261.03	(261.03)	—
Total Revenue	25,014.61	18,433.25	1,792.30	45,240.16	(199.18)	45,040.98	28,408.63	15,402.45	1,937.73	45,748.81	(261.03)	45,487.78
Result												
Segment Result	485.85	4,192.70	26.06	4,704.61		4,704.61	1,263.72	2,926.23	72.58	4,262.53		4,262.53
Less:												
Finance costs						370.88						113.23
Add:												
Unallocated corporate income net of unallocated expenses						789.82						980.71
Exceptional items unallocable to segments						(3,663.27)						(2,013.98)
Profit before tax						1,460.28						3,116.03
Income Taxes						1,191.62						1,785.48
Profit after tax						268.66						1,330.55
Out of total external revenue above:-												
Revenue from contracts with customers						44,716.53						45,294.76
Revenue from other sources						324.45						193.02
Total						45,040.98						45,487.78
OTHER INFORMATION												
Segment Assets	17,414.88	6,948.61	1,100.13	25,463.62	—	25,463.62	16,223.14	6,965.15	1,017.04	24,205.33	—	24,205.33
Unallocated Corporate Assets						34,125.18						26,296.73
Total Assets	17,414.88	6,948.61	1,100.13	25,463.62	—	59,588.80	16,223.14	6,965.15	1,017.04	24,205.33	—	50,502.06
Segment Liabilities	9,374.25	4,436.58	589.80	14,400.63	—	14,400.63	6,874.14	3,200.65	475.90	10,550.69	—	10,550.69
Unallocated Corporate Liabilities						10,686.25						5,483.53
Total Liabilities	9,374.25	4,436.58	589.80	14,400.63	—	25,086.88	6,874.14	3,200.65	475.90	10,550.69	—	16,034.22
Additions to non current assets	2,361.99	434.07	34.85	2,830.91	—	2,830.91	3,303.22	621.34	33.70	3,958.26	—	3,958.26
Depreciation, amortisation and impairment expense	1,823.22	332.85	35.84	2,191.91	—	2,191.91	1,807.49	322.69	30.32	2,160.50	—	2,160.50

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.

37. 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	2021			2020		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenue from External Customers comprising of:						
– Revenue from contracts with customers	42,934.40	2,106.58	45,040.98	42,930.58	2,557.20	45,487.78
– Revenue from other sources	324.45	—	324.45	193.02	—	193.02
Non-Current Assets	17,407.57	—	17,407.57	16,986.85	—	16,986.85

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, 2021 and 31st March, 2020 no revenues from transactions with a single external customer amount to 10% or more of the Company's revenues from external customers.

38. 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. 2,292.93 crores** (2020 : Rs. 1,993.91 crores) before tax.
 - (ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 70.11 crores** (2020 : Rs. 33.09 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. 1,345.52 crores** (2020 : Rs. 1,265.65 crores), excluding effect of MAT credit offset that may be available.
 - (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. 172.78 crores** (2020 : Rs. 99.09 crores).
- (c) 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.
- (d) Financial guarantee given on behalf of Subsidiaries/Associates/Joint Ventures companies (Refer Note 34 (2) (a)).

(B) Commitments:

The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2021 is **Rs. 1,658.89 crores** (2020 : Rs. 2,265.53 crores) and other commitment as at 31st March, 2021 is **Rs. 0.26 crores** (2020 : Rs. 58.30 crores).

39. Other information:

(A) 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. 775.07 crores** (2020 : Rs. 687.18 crores) [excluding depreciation and amortisation of **Rs. 987.22 crores** (2020 : Rs. 1,006.27 crores)].
 - (ii) Development expenditure incurred during the year **Rs. 980.00 crores** (2020 : Rs. 1,626.52 crores).
 - (iii) Capitalisation of assets **Rs. 97.26 crores** (2020 : Rs. 259.88 crores).
- (b) In other units:
 - (i) Expensed to Profit or Loss, including certain expenditure based on allocations made by the Company, aggregate **Rs. 78.00 crores** (2020 : Rs. 118.56 crores) [excluding depreciation and amortisation of **Rs. 116.13 crores** (2020 : Rs. 86.05 crores)].
 - (ii) Development expenditure incurred during the year **Rs. 145.89 crores** (2020 : Rs. 251.19 crores).
 - (iii) Capitalisation of assets **Rs. 55.12 crores** (2020 : Rs. 52.55 crores).

39. Other information: (contd.)

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

Pursuant to the admission in the ARS program and following the guidance under Ind AS 110 – Consolidated Financial Statements, the Company has ceased consolidating SYMC as a subsidiary from 28th December, 2020 and has classified the investment to be measured at fair value as per Ind AS 109 – Financial instruments.

Based on the management judgement and best estimate assumptions of the realizable value of the assets relating to SYMC, the Company had fully provided its investment in SYMC before classifying it as an investment under Ind AS 109. Additionally, the Company has recognised an impairment/provision for its exposures to SYMC. The impairment/provision for investment and other exposures aggregating to **Rs. 1,653.81 crores** recognised during the year ended 31st March, 2021 (2020 : Rs. 1,468.00 crores) have been presented under 'Exceptional items' in the Statement of Profit and Loss.

- (C) The Scheme of merger by absorption of the wholly-owned subsidiary, Mahindra Vehicle Manufacturers Limited with the Company has been approved by the National Company Law Tribunal (NCLT) on 26th April, 2021. The Appointed Date of the Scheme is 1st April, 2019. The Scheme will be given effect upon receipt of other requisite approvals/consent.
- (D) The Board of Directors of the Company at its meeting held on 28th May, 2021, have approved the Scheme of Merger by Absorption of its wholly-owned subsidiaries, Mahindra Engineering and Chemical Products Limited, Retail Initiative Holdings Limited and Mahindra Retail Limited, with the Company and their respective Shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Board of Directors of the Company at its Meeting held on 26th March, 2021 had accorded an in-principle approval for consolidation of Mahindra Electric Mobility Limited, a subsidiary of the Company ("MEML") into the Company and had authorised its Loans & Investment Committee to decide on the mode of consolidation including finalizing the Scheme, Valuation, Swap Ratio, etc. and recommend the same to the Audit Committee and to the Board of Directors for their approval. The Board of Directors of the Company at its Meeting held on 28th May, 2021, have approved the Scheme of Merger by Absorption of MEML with the Company and their respective Shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

The Appointed Date of both the schemes of merger would be 1st April, 2021 or such other date as may be approved by NCLT or any other appropriate authority. The Schemes will be given effect upon receipt of requisite approvals/consent.

40. Previous year's figures have been regrouped/reclassified wherever necessary.**Signatures to Notes 1 to 40**

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

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

Jamil Khatri

Partner

Membership No : 102527

Mumbai, 28th May, 2021

Vikram Singh Mehta

Vishakha N. Desai

T. N. Manoharan

Haigreve Khaitan

Shikha Sharma

Nisaba Godrej

Muthiah Murugappan

Vijay Kumar Sharma

CP Gurnani

Directors

Anand G. Mahindra

Executive Chairman

Anish Shah

Managing Director and CEO

Rajesh Jejurikar

Executive Director (Auto and Farm Sectors)

Manoj Bhat

Group Chief Financial Officer

Narayan Shankar

Company Secretary

Mumbai, 28th May, 2021



**CONSOLIDATED
ACCOUNTS**

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

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Mahindra & Mahindra Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2021, 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 ("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 2021, 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, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of 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 opinion on the consolidated financial statements.

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.

Description of Key Audit Matter

1. Bankruptcy filing by a material subsidiary

The key audit matter	How the matter was addressed in our audit
<p>The Group held an investment in a material foreign subsidiary. The Holding Company's Board of Directors and management have concluded that admission of this subsidiary in the rehabilitation proceedings with the Seoul Bankruptcy Court under the Debtor Rehabilitation and Bankruptcy Act of South Korea on 28 December 2020 and uncertainty on outcome of the rehabilitation proceedings impacts the Holding Company's ability to retain control of the subsidiary. The Holding Company's Board of Directors and management determined that the Holding Company lost control as defined in Ind AS 10 <i>Consolidated Financial Statements</i> due to reasons which are described in the accounting policies on basis of consolidation. The business operations of the erstwhile subsidiary have been classified as discontinued operations in the consolidated financial statements.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> • Read the documents in relation to admission of the subsidiary in the rehabilitation proceedings and made enquiries with the Company's management to understand the implications of the rehabilitation proceedings; • Assessed the Group's evaluation of degree of control/significant influence based on proceedings in the rehabilitation process and the requirements of the relevant accounting standards; • Obtained management's best estimate of the recoverable amounts and tested the key assumptions with respect to discount rate and expectation of recovery of the assets. Performed sensitivity analysis of the key assumptions, such as discount rates, expected time and extent of the subsidiary's ability to repay used in assessment of the recoverable value of the assets; • Inquired and assessed the tax impact of these matters with the management;

1. Bankruptcy filing by a material subsidiary (contd.)

The key audit matter	How the matter was addressed in our audit
<p>On de-consolidation of the subsidiary, the Company has de-recognised its net liability relating to the subsidiary. The Company recognised operating losses and an impairment/provision aggregating to Rs 3,252 crores in relation to this erstwhile subsidiary. Further, the Company has recorded a gain on de-consolidation of the subsidiary of Rs 1,063 crore. The impairment/provision has been determined based on best estimate assumptions of the erstwhile subsidiary's valuation and considering the uncertainty of the rehabilitation process. These amounts have been reported as results of discontinued operations in the consolidated financial statements.</p> <p>Refer note 2(u) – significant accounting policy for discontinued operation.</p>	<ul style="list-style-type: none"> Evaluated the impact of the auditors' opinion of the erstwhile subsidiary on our audit opinion on the consolidated financial statements; Inquired with management on the implications of events after the date of financial statements to corroborate the impact of the developments with respect to bankruptcy proceedings with the assessment of degree of control/significant influence and assessment of recoverable value of the Company's assets; and Assessed the appropriateness and adequacy of the disclosures in the financial statements, including those relating to discontinued operations.

2. Impairment assessment of tangible assets, goodwill and development expenditure capitalised and currently under development

The key audit matter	How the matter was addressed in our audit
<p>The Group has aggregate tangible assets of Rs 22,089 crores, which includes property, plant and equipment of Rs 17,612 crores and Rs 4,477 crores of capital-work-in-progress as at 31 March 2021. Further, the Group has Rs 1,305 crores of goodwill, Rs 2,158 crores of other development expenditure capitalised and Rs 3,395 crores of intangible assets under development (collectively "the intangible assets").</p> <p>Changes in business environment, including the economic uncertainty created by the novel corona virus (COVID-19), could have a significant impact on the valuation of the tangible and intangible assets. The tangible and intangible assets are tested for impairment periodically. The Group assesses the carrying amounts of the tangible and intangible assets to determine indicators of impairment loss as the recoverable values rely on certain assumptions and estimates of future performance which impact the valuation. If any such indicators exists, the recoverable amount, which is the higher of Value In Use (VIU) or fair value less cost to sell, of the asset or Cash Generating Unit (CGU) is estimated and the impairment loss, if any, is recognised in the statement of profit and loss and carrying amount of tangible and intangible assets is reduced to its recoverable amount.</p> <p>Refer note 2(h) – significant accounting policy for impairment of assets</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> Assessed the design, implementation and operating effectiveness of key controls in respect of the Group's impairment assessment process, including the approval of forecasts and valuation models; Obtained an understanding of the identification of the CGU process including businesses which benefit from Group synergies; Tested the key VIU assumptions used in estimating future cash flows such as revenue volumes and prices, operating costs, inflation and growth rates by comparing these inputs with externally derived data, past performances, consistency with the Board approved investment plans and knowledge of the industry; Involved valuation specialists, as applicable, to evaluate the assumptions including the discount rates used in VIU assumptions through reference to reports of industry analysts; Evaluated past performance where relevant, and assessed historical accuracy of the forecast used in VIU calculations; and Evaluated the stage of development of the intangible assets, judgments used for expected probable economic benefits and associated expenditures, and their assessment of feasibility and Assessed the adequacy of disclosures on key judgements, assumptions and quantitative data with respect to impairment losses.

3. 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 recorded an impairment loss allowance of Rs 5,181 crores as at 31 March 2021 and has recognized a charge of Rs 3,999 crores for the year ended 31 March 2021 in its statement of profit and loss.</p>	<p>Our audit procedures include:</p> <ul style="list-style-type: none"> Performed end to end process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance processes. We tested the relevant manual (including spreadsheet controls), general IT and application controls over key systems used in the impairment loss allowance process;

3. Impairment loss allowance in the financial services business (contd.)

The key audit matter	How the matter was addressed in our audit
<p>Under Ind AS 109, <i>Financial Instruments</i>, allowance for loan losses are determined using an expected credit loss (ECL) model. The estimation of impairment loss allowance on financial instruments involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus are:</p> <ul style="list-style-type: none"> • Data inputs - The application of ECL model requires several data inputs. This increases the risk that the data that has been used to derive assumptions in the model, which are used for ECL calculations, may not be complete and accurate. • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Exposures at Default (“EAD”), Probabilities of Default (“PD”) and Loss Given Default (“LGD”). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect in the modelling approach. • Economic scenarios – Ind AS 109 requires measurement of ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them especially when considering the current uncertain economic environment arising from COVID-19. • Qualitative adjustments/ management overlays – Adjustments to the model-driven ECL results as overlays are recorded by management to address known impairment model limitations or emerging trends as well as risks not captured by models. As at 31 March 2021, overlays represent approximately 21% of the ECL balances. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts especially in relation to economic uncertainty as a result of COVID-19. <p>The underlying forecasts and assumptions used in the estimates of impairment loss allowance are subject to uncertainties which are often outside the control of the reporting entities. The extent to which the COVID-19 pandemic will impact the current estimate of impairment loss allowances is dependent on future developments, which are highly uncertain at this point. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter.</p> <p>Management has also taken consideration of the Reserve Bank of India (RBI)’s expectation to bring down the net Non Performing Assets (NPA) ratio below 4% and recorded an additional provision of Rs. 1,320 crores on Stage 3 loans, which is over and above the model determined ECL provision/overlays.</p>	<ul style="list-style-type: none"> • Assessed the design and implementation of controls in respect of the 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 management’s controls over authorisation and calculation of post model adjustments and management overlays; • Evaluated whether the methodology applied 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; • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of periods considered, economic forecasts, weights, and model assumptions applied; • Test of details on post model adjustments, considering the size and complexity of management overlays with a focus on COVID-19 related overlays, in order to assess the reasonableness of the adjustments by challenging key assumptions, inspecting the calculation methodology and tracing a sample of the data used back to source data; • Testing the ‘Governance Framework’ over validation, implementation and model monitoring in line with the RBI guidance. Discussed with and read the relevant correspondences with the RBI with respect to the RBI’s expectation to bring the net NPA ratio below 4%; • Involved financial risk modelling specialists for evaluating the appropriateness of Ind AS 109 impairment methodologies and reasonableness of assumptions used (including management overlays) and the reasonableness of the impact assessment of the current economic environment due to COVID-19 on the impairment loss allowance determination. • Verified the mathematical accuracy of the workings required to bring down the net NPA ratio below 4%; and • Assessed whether the disclosures (including arising from the RBI expectation to bring down the net NPA ratio below 4%) on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the consolidated financial statements are appropriate and sufficient.

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.

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

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial 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. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in sub-paragraph (a) of the "Other Matters" paragraph below.

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

- (a) We did not audit the financial statements of 151 subsidiaries, whose financial statements reflect total assets of Rs 29,122 crores as at 31 March 2021, total revenues of Rs 34,867 crores and net cash inflows amounting to Rs 384 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 loss (and other comprehensive income) of Rs 29 crores for the year ended 31 March 2021, in respect of 25 associates and 29 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.

■ 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 2021 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 2021 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 2021 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 2021.
 - 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 2021.
- 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
UDIN: 21102527AAAAW5317

Annexure A to the Independent Auditors' report on the consolidated financial statements of Mahindra & Mahindra Limited for the year ended 31 March 2021

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, 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 2021, 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 Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

■ Auditors' Responsibility

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

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

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

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

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

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

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

■ Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 62 subsidiary companies, 6 associate companies and 22 joint venture companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Mumbai, 28 May 2021

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

Jamil Khatri
Partner
Membership No. 102527
UDIN: 21102527AAAAAW5317

Consolidated Balance Sheet | as at 31st March, 2021

Rupees crores

	Note	2021	2020
I. ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	17,611.65	24,417.18
Capital work-in-progress		4,477.64	2,551.75
Goodwill	5	1,304.90	1,512.31
Other intangible assets	6	2,463.13	3,759.78
Intangible assets under development		3,394.97	4,304.73
Investments accounted using equity method	7	12,256.22	11,229.40
Financial assets			
(i) Investments	7	6,489.62	1,685.38
(ii) Trade receivables	8	366.16	556.19
(iii) Loans	9	38,525.68	45,945.23
(iv) Other financial assets	10	1,497.38	1,187.72
Deferred tax assets (net)	11	1,717.32	1,290.53
Income tax assets (net)		1,887.47	1,897.98
Other non-current assets	12	2,332.44	2,623.05
		94,324.58	1,02,961.23
CURRENT ASSETS			
Inventories	13	9,615.41	11,111.86
Financial assets			
(i) Investments	7	10,031.82	6,295.56
(ii) Trade receivables	8	6,007.76	6,928.28
(iii) Cash and cash equivalents	14	3,374.59	4,745.03
(iv) Bank balances other than cash and cash equivalents	14	9,477.40	3,165.87
(v) Loans	9	29,119.55	27,963.68
(vi) Other financial assets	10	1,431.40	1,177.36
Other current assets	12	3,079.98	2,561.29
Assets held for sale		-	96.50
		72,137.91	64,045.43
TOTAL ASSETS		1,66,462.49	1,67,006.66
II. EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	555.15	554.28
Other equity		41,026.77	39,415.03
Equity attributable to owners of the company		41,581.92	39,969.31
Non-controlling interests		9,070.31	7,691.74
		50,652.23	47,661.05
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	17	54,906.56	52,298.05
(ii) Trade payables			
Total outstanding dues of creditors other than micro enterprises and small enterprises	18	1.44	10.25
(iii) Other financial liabilities	19	1,595.21	1,781.40
Provisions	20	1,600.88	4,384.13
Deferred tax liabilities (net)	11	1,494.16	1,511.89
Other non-current liabilities	21	4,766.00	5,350.37
		64,364.25	65,336.09
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	17	4,646.59	10,217.53
(ii) Trade payables	18		
(a) Total outstanding dues of micro enterprises and small enterprises		151.58	147.45
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		15,354.21	14,837.90
(iii) Other financial liabilities	19	25,913.40	23,852.06
Other current liabilities	21	3,867.07	2,902.05
Provisions	20	1,074.34	1,751.54
Current tax liabilities (net)		438.82	300.99
		51,446.01	54,009.52
TOTAL EQUITY AND LIABILITIES		1,66,462.49	1,67,006.66

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2021

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

Directors

Anand G. Mahindra

Anish Shah

Rajesh Jejurikar

Manoj Bhat

Narayan Shankar

Executive Chairman

Managing Director and CEO

Executive Director (Auto and Farm Sectors)

Group Chief Financial Officer

Company Secretary

Mumbai, 28th May, 2021

Consolidated Statement of Profit and Loss | for the year ended 31st March, 2021

Rupees crores

	Note	2021	2020
INCOME			
Revenue from operations	22	74,277.78	75,381.93
Other income	23	1,033.11	1,028.69
Total Income		75,310.89	76,410.62
EXPENSES			
Cost of materials consumed	24	32,797.56	32,321.80
Purchases of stock-in-trade		5,473.64	5,273.50
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	135.59	826.62
Employee benefits expense	26	7,813.26	8,214.82
Finance costs	27	6,102.22	6,021.15
Depreciation, amortisation and impairment expense	4,6	3,378.11	3,366.68
Other expenses	28	14,541.92	15,871.20
		70,242.30	71,895.77
Less: Amounts capitalised		160.74	317.58
Total Expenses		70,081.56	71,578.19
Profit Before Exceptional Items, share of profit of associates and joint ventures and Tax		5,229.33	4,832.43
Exceptional items (net).....	29	(1,158.26)	(1,171.28)
Share of profit of associates and joint ventures, (net)		1,276.66	1,027.28
Profit Before Tax		5,347.73	4,688.43
Tax Expense	11		
Current tax		2,014.89	2,314.16
Deferred tax		(369.08)	(338.55)
Profit/(loss) for the year from continuing operations		3,701.92	2,712.82
Profit/(loss) before tax from discontinued operations		(2,189.53)	(3,033.82)
Tax expense of discontinued operations		—	—
Profit/(loss) after tax from discontinued operations	42	(2,189.53)	(3,033.82)
Profit/(loss) after tax from continuing and discontinued operations		1,512.39	(321.00)
Other Comprehensive Income/(Loss)			
A. (i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		(66.59)	(55.11)
(b) Equity instruments through other comprehensive income		76.56	(165.50)
(c) Share of other comprehensive income/ (loss) of equity accounted investees		52.12	(12.44)
(ii) Income tax relating to items that will not be reclassified to profit or loss		23.05	7.03
B. (i) Items that will be reclassified to profit or loss			
(a) Exchange differences in translating the financial statements of foreign operations		(20.60)	(49.65)
(b) Debt instruments through other comprehensive income		(93.75)	8.35
(c) Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		(10.01)	(57.09)
(d) Share of other comprehensive income of equity accounted investees		(20.92)	7.09
(ii) Income tax relating to items that will be reclassified to profit or loss		45.06	49.72
C. Other comprehensive income/(loss) from discontinued operations (net of tax)		79.94	(5.66)
Total Other Comprehensive Income/(Loss)		64.86	(273.26)
Total Comprehensive Income/(Loss) for the year		1,577.25	(594.26)
Profit / (Loss) from continuing operations for the year attributable to:			
Owners of the company		3,347.41	2,391.79
Non-controlling interests		354.51	321.03
		3,701.92	2,712.82
Profit / (Loss) from discontinued operations for the year attributable to:			
Owners of the company		(1,534.92)	(2,264.75)
Non-controlling interests		(654.61)	(769.07)
		(2,189.53)	(3,033.82)
Profit / (Loss) from continuing and discontinued operations for the year attributable to:			
Owners of the company		1,812.49	127.04
Non-controlling interests		(300.10)	(448.04)
		1,512.39	(321.00)

Consolidated Statement of Profit and Loss | for the year ended 31st March, 2021 (contd.)

	Note	2021	2020
<i>Rupees crores</i>			
Other Comprehensive income / (loss) for the year attributable to:			
Owners of the company		80.36	(298.16)
Non-controlling interests		(15.50)	24.90
		64.86	(273.26)
Total Comprehensive Income/(Loss) for the year attributable to:			
Owners of the company		1,892.85	(171.12)
Non-controlling interests		(315.60)	(423.14)
		1,577.25	(594.26)
Earnings per equity share (for continuing operations)	30		
(Face value Rs. 5/- per share) (Rupees)			
Basic		30.17	21.66
Diluted		29.92	21.46
Earnings per equity share (for discontinued operations)	30		
(Face value Rs. 5/- per share) (Rupees)			
Basic		(13.84)	(20.51)
Diluted		(13.77)	(20.42)
Earnings per equity share (for continuing and discontinued operations)	30		
(Face value Rs. 5/- per share) (Rupees)			
Basic		16.33	1.15
Diluted		16.15	1.04

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants

Firm's Registration No : 101248WW-100022

Jamil Khatri
Partner

Membership No : 102527

Mumbai, 28th May, 2021

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

Directors

Anand G. Mahindra

Anish Shah

Rajesh Jejurikar

Manoj Bhat

Narayan Shankar

Executive Chairman

Managing Director and CEO

Executive Director (Auto and Farm Sectors)

Group Chief Financial Officer

Company Secretary

Mumbai, 28th May, 2021

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2021

(A) Equity Share Capital

	Rupees crores	
	2021	2020
Issued, subscribed and paid up :		
Balance as at the beginning of the year	554.28	543.96
Add: Allotment of shares by M&M ESOP Trust to Employees.....	0.87	0.72
Add: Sale of shares by M&M benefit trust.....	—	9.60
Balance as at the end of the year.....	555.15	554.28

(B) Other Equity

	Attributable to owners of the company										Rupees crores	
	Reserves and surplus			Items of other comprehensive income				Total other equity	Non-controlling interests	Total		
	Capital reserve on consolidation	Securities premium	Shares options outstanding account	Other reserves	Retained earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income					
As at 1st April, 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
Profit/(Loss) for the year	—	—	—	—	2,391.79	—	—	—	—	2,391.79	321.03	2,712.82
Profit/(Loss) for the year from discontinued operations.....	—	—	—	—	(2,264.75)	—	—	—	—	(2,264.75)	(769.07)	(3,033.82)
Other comprehensive income/ (loss)	—	—	—	—	(49.88)	3.92	(164.98)	(126.97)	42.93	(294.98)	27.39	(267.59)
Other Comprehensive Income/ (Loss) from discontinued operations	—	—	—	—	7.77	—	—	1.99	(12.94)	(3.18)	(2.49)	(5.67)
Total comprehensive income/ (loss) for the year	—	—	—	—	84.93	3.92	(164.98)	(124.98)	29.99	(171.12)	(423.14)	(594.26)
Dividend paid on equity shares (including dividend tax)	—	—	—	—	(1,135.09)	—	—	—	—	(1,135.09)	(262.93)	(1,398.02)
Transfers to retained earnings ...	—	—	—	125.67	(125.67)	—	—	—	—	—	—	—
Transfers from retained earnings	—	—	—	(187.07)	187.07	—	—	—	—	—	—	—
On business combinations during the year	—	—	—	—	—	—	—	—	—	—	6.98	6.98
Exercise of employee stock options	—	87.87	(87.87)	—	—	—	—	—	—	—	—	—
Allotment of bonus shares by M&M ESOP trust to employees ...	—	(0.36)	—	—	—	—	—	—	—	(0.36)	—	(0.36)
Allotment of shares by M&M ESOP trust to employees	—	25.93	—	—	—	—	—	—	—	25.93	—	25.93
On account of employee stock options lapsed	—	—	(2.29)	2.29	—	—	—	—	—	—	—	—
Share-based payment to employees	—	—	121.20	—	—	—	—	—	—	121.20	41.83	163.03
Sale of shares by M&M Benefit Trust	—	(4.80)	—	—	1,237.71	—	—	—	—	1,232.91	—	1,232.91
Transactions with non-controlling interest and changes in group's interest	—	—	—	—	(6.41)	—	—	—	—	(6.41)	14.49	8.08
Cumulative impact of adoption of Ind AS 116	—	—	—	—	(91.48)	—	—	—	—	(91.48)	(46.06)	(137.54)
As at 31st March, 2020	1,518.13	2,408.71	264.96	4,476.65	30,908.05	6.99	(195.71)	(161.58)	188.83	39,415.03	7,691.74	47,106.77

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2021 (contd.)

	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	Shares options outstanding account	Other reserves	Retained earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Effective portion of Cash Flow Hedges	Foreign currency translation reserve			
As at 1st April, 2020	1,518.13	2,408.71	264.96	4,476.65	30,908.05	6.99	(195.71)	(161.58)	188.83	39,415.03	7,691.74	47,106.77
Profit/(Loss) for the year	—	—	—	—	3,347.41	—	—	—	—	3,347.41	354.51	3,701.92
Profit/(Loss) for the year from discontinued operations	—	—	—	—	(1,534.92)	—	—	—	—	(1,534.92)	(654.61)	(2,189.53)
Other Comprehensive Income/(Loss)	—	—	—	—	(48.75)	(37.04)	129.30	64.76	(93.23)	15.04	(30.12)	(15.08)
Other Comprehensive Income/(Loss) from discontinued operations.....	—	—	—	—	67.45	—	—	(0.66)	(1.47)	65.32	14.62	79.94
Total comprehensive income/(loss) for the year	—	—	—	—	1,831.19	(37.04)	129.30	64.10	(94.70)	1,892.85	(315.60)	1,577.25
Dividend paid on equity shares ..	—	—	—	—	(262.16)	—	—	—	—	(262.16)	(6.71)	(268.87)
Other Comprehensive Income reclassified to profit or loss on deconsolidation of subsidiary	—	—	—	—	—	—	—	(3.28)	(208.78)	(212.06)	—	(212.06)
Transfers from Retained earnings ..	—	—	—	53.43	(53.43)	—	—	—	—	—	—	—
Transfers to Retained earnings	—	—	—	(20.95)	20.95	—	—	—	—	—	—	—
On deconsolidation of subsidiaries during the year	(1,148.86)	—	—	—	1,148.86	—	—	—	—	—	313.55	313.55
Exercise of employee stock options	—	105.00	(105.00)	—	—	—	—	—	—	—	—	—
Allotment of bonus shares by M&M ESOP trust to employees	—	(0.44)	—	—	—	—	—	—	—	(0.44)	—	(0.44)
Allotment of shares by M&M ESOP trust to employees	—	21.84	—	—	—	—	—	—	—	21.84	—	21.84
On account of employee stock options lapsed	—	—	(2.29)	2.29	—	—	—	—	—	—	—	—
Share-based payment to employees	—	—	97.21	—	—	—	—	—	—	97.21	—	97.21
Transactions with non-controlling interest and changes in group's interest	—	—	—	—	74.50	—	—	—	—	74.50	1,387.33	1,461.83
As at 31st March, 2021	369.27	2,535.11	254.88	4,511.42	33,667.96	(30.05)	(66.41)	(100.76)	(114.65)	41,026.77	9,070.31	50,097.08

Remeasurement gain (net) on defined benefit plans, net of deferred tax, aggregating to Rs. 18.70 crores (2020: loss of Rs. 42.11 crores) has been recognised during the year as part of retained earnings.

Consolidated Statement of Changes in Equity | for the year ended 31st March, 2021 (contd.)

(C) Other reserves

Rupees crores

Particulars	Capital Redemption Reserve	Capital Reserve	Debenture Redemption Reserve	General Reserve	Statutory reserve	Total
As at 1 st April, 2019.....	73.69	23.52	271.07	3,138.68	1,028.80	4,535.76
Transfer from retained earnings.....	—	—	11.26	—	114.41	125.67
Transfer to retained earnings.....	—	—	(187.07)	—	—	(187.07)
On account of employee stock options lapsed.....	—	—	—	2.29	—	2.29
As at 31st March, 2020.....	73.69	23.52	95.26	3,140.97	1,143.21	4,476.65
As at 1 st April, 2020.....	73.69	23.52	95.26	3,140.97	1,143.21	4,476.65
Transfer from retained earnings.....	—	—	1.71	—	51.72	53.43
Transfer to retained earnings.....	—	—	(20.95)	—	—	(20.95)
On account of employee stock options lapsed.....	—	—	—	2.29	—	2.29
As at 31st March, 2021.....	73.69	23.52	76.02	3,143.26	1,194.93	4,511.42

A) Notes

- The Company has reduced the share capital by **Rs. 12.11 crores** (2020: Rs. 12.54 crores) and securities premium by **Rs. 182.94 crores** (2020: Rs. 204.78 crores) for the **2,42,12,082** shares of Rs. 5 each (2020: 2,50,76,433 shares of Rs. 5 each) held by the M&M ESOP Trust pending transfer to the eligible employees.
- The Company has also reduced the share capital by **Rs. 21.12 crores** (2020: Rs. 21.12 crores) and retained earnings by **Rs. 1,168.30 crores** (2020: Rs. 1,168.30 crores) for **4,22,35,214** shares of Rs. 5 each (2020: 4,22,35,214 shares of Rs. 5 each) held by M&M Benefit Trust.
- The share capital of the Company has also been reduced and the securities premium increased by **Rs. 33.22 crores** (2020: Rs. 33.66 crores) for **2,42,12,081** bonus shares of Rs. 5 each (2020: 2,50,76,433 bonus shares of Rs. 5 each) issued by the Company to M&M ESOP Trust and for **4,22,35,214** bonus shares of Rs. 5 each (2020: 4,22,35,214 bonus shares of Rs. 5 each) issued by the Company to M&M Benefit Trust in December, 2017.

B) 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 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) Retained earnings

Retained earnings comprises of accumulated balance of profits/(losses) of current and prior years including transfers made to / from other reserves from time to time. The reserve can be utilised or distributed by the Company in accordance with the provisions of the Companies Act, 2013.

(vi) 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.

(vii) Share option outstanding account

The share option outstanding account represents reserve in respect of equity settled share options granted to the company's employees in pursuance of the employee stock option plan.

(viii) 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.

(ix) Capital redemption reserve

Capital redemption reserve was created against redemption of preference shares.

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2021

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

Directors

Anand G. Mahindra Executive Chairman
Anish Shah Managing Director and CEO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Manoj Bhat Group Chief Financial Officer
Narayan Shankar Company Secretary

Mumbai, 28th May, 2021

Consolidated Cash Flow Statement | for the year ended 31st March, 2021

Rupees crores

	2021	2020
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Profit/(Loss) before exceptional items and taxation from Continuing operations	5,229.33	4,832.43
Profit/(Loss) before taxation from discontinued operations	(2,189.53)	(3,033.82)
	3,039.80	1,798.61
Adjustments for :		
Depreciation, amortisation and impairment expense	4,398.89	4,976.29
Loss/(Gain) on foreign exchange fluctuation (net)	63.35	202.94
Gain due to change in lease arrangements	(44.21)	—
Dividend on investments and interest income [excluding Rs. 11,757.30 crores (2020: Rs. 11,525.88 crores) in respect of financial services business]	(465.79)	(530.38)
Interest, commitment and finance charges [excluding Rs. 5,265.45 crores (2020: Rs. 5,349.32 crores) in respect of financial services business]	873.71	715.33
Equity-settled share-based payment expenses	132.84	174.47
Net gain on financial instruments measured at fair value	(380.99)	(296.49)
(Gain)/Loss on property, plant and equipment sold/scrapped/written off (net).....	(11.01)	(53.96)
Items related to discontinued operations and gain on loss of control	(18.87)	787.31
	4,547.92	5,975.51
Operating Profit before working capital changes.....	7,587.72	7,774.12
Changes in :		
Trade and other receivables.....	(891.48)	2,409.01
Financial services receivable	5,787.59	(3,924.73)
Inventories	225.74	1,316.36
Trade and other payables and provisions.....	7,049.34	(6,775.09)
	12,171.19	(6,974.45)
Cash generated from/(used in) operations.....	19,758.91	799.67
Income taxes paid (net of refunds).....	(1,850.08)	(2,256.60)
Net cash from / (used in) operating activities.....	17,908.83	(1,456.93)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Payment to acquire property, plant & equipment and other intangible assets	(5,989.49)	(6,896.02)
Proceeds from sale of property, plant & equipment and other intangible assets	1,364.15	101.90
Payment to acquire investments	(1,56,289.44)	(1,98,567.80)
Proceeds from sale of investments	1,47,983.68	1,98,131.58
Interest received (excluding financial services business)	431.11	372.38
Dividends received from joint ventures and associates	571.89	695.76
Proceeds from buy-back of shares by associate	—	446.31
Dividends received from others	4.68	26.28
Bank deposits placed	(10,752.08)	(3,341.68)
Bank deposits matured	4,533.02	2,583.41
Net change in earmarked and margin account	0.87	(150.53)
Inter corporate deposits placed	(569.40)	(608.00)

Consolidated Cash Flow Statement | for the year ended 31st March, 2021 (contd.)

	<i>Rupees crores</i>	
	2021	2020
Inter corporate deposits refunded	307.50	614.00
Purchase of investment in joint ventures and associates (including share application money)	(359.13)	(418.27)
Purchase consideration paid on acquisition of subsidiaries net of cash acquired	—	(58.74)
Consideration received on disposal of subsidiaries	178.06	174.59
Consideration received on disposal of associate	137.82	—
Net cash used in investing activities	(18,446.76)	(6,894.83)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Proceeds from sale of shares by M&M Benefit Trust	—	1,242.51
Proceeds from issue of shares to employees by ESOP trust	0.58	0.53
Proceeds from borrowings	38,100.37	52,617.59
Repayments of borrowings	(35,772.09)	(43,415.94)
Net change in loans repayable on demand and cash credit	(1,733.29)	(628.14)
Repayment of lease liabilities	(552.98)	(557.73)
Dividends paid (including tax thereon)	(264.33)	(1,135.09)
Dividend paid to non-controlling interests (including tax thereon)	(6.71)	(262.93)
Transactions with non-controlling interest	1,443.91	(303.57)
Interest, commitment and finance charges paid (excluding financial services business)	(809.23)	(624.48)
Net cash from financing activities	406.23	6,932.75
Net decrease in cash and cash equivalents	(131.70)	(1,419.01)
Cash and cash equivalents at the beginning of the year	4,745.03	6,139.00
Cash and Cash Equivalents related to discontinued operations	(1,252.79)	—
Unrealised gain/(loss) on foreign currency cash and cash equivalents	14.05	25.04
Cash and cash equivalents at the end of the year (Refer note 14)	3,374.59	4,745.03

Notes to the Consolidated Cash Flow Statements for the year ended 31st March, 2021.

- The above Cash Flow Statement has been prepared under the 'indirect method' as set out in Ind AS 7 - Statement of Cash Flow.
- The Group has presented a consolidated cash flow statement that analyses all cash flows in total – i.e. including both continuing and discontinued operations; amounts related to discontinued operations are disclosed in Note 42.

The accompanying notes 1 to 44 are an integral part of the Consolidated Financial Statements

In terms of our report attached.

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

Jamil Khatri
Partner
Membership No : 102527

Mumbai, 28th May, 2021

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

} Directors

Anand G. Mahindra Executive Chairman
Anish Shah Managing Director and CEO
Rajesh Jejurikar Executive Director (Auto and Farm Sectors)
Manoj Bhat Group Chief Financial Officer
Narayan Shankar Company Secretary

Mumbai, 28th May, 2021

Notes to the Consolidated Financial Statements | for the year ended 31st March, 2021

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 28 May, 2021.

(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.

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

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

Associates

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

Joint Arrangements

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

(d) Measurement of fair values

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

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

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

2. Significant Accounting Policies (contd.)

(e) Use of estimates and judgments

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

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 tangible and intangible assets including goodwill*

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

(v) *Impairment of financial services receivable*

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

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

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

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

The Group has considered relevant internal and external sources of information to evaluate the impact of the pandemic on the financial statements for the year ended 31st March, 2021. The Group has assessed the recoverability of the assets including receivables, investments, property plant and equipment, intangible assets, goodwill and have made necessary adjustments to the carrying amounts by recognising provisions / impairment of assets where necessary. However, the actual impact may be different from that estimated as it will be dependent upon future developments and future actions to contain or treat the disease and mitigate its impact on the economy.

2. Significant Accounting Policies (contd.)

(f) Property, plant and equipment

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

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

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

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

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

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

(g) Goodwill and Intangible Assets

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

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

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

Intangible assets under development

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

Intangible assets acquired under business combination

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

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

Other intangible assets

Technical Knowhow

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

Development Expenditure

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

Brand license fee

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

Software Expenditure

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

Others

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

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

2. Significant Accounting Policies (contd.)

(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.

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.

(j) Foreign exchange transactions and translation

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

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

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

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

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

(k) Financial Instruments

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

2. Significant Accounting Policies (contd.)

Classification and subsequent measurement

Financial assets

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

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

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

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

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

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

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

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

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

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

2. Significant Accounting Policies (contd.)

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.

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

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

Derivative financial instruments and hedge accounting

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

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

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

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

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

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

2. Significant Accounting Policies (contd.)

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

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

Impairment of financial assets

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

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

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

(i) Revenue Recognition

Sale of goods

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

Sale of services

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

Dividend and interest income

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

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

Income from financing business

Interest income is recognised in consolidated statement of profit and loss using the effective interest method for all financial instruments measured at amortised cost, debt instruments measured at 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 consolidated statement of profit and loss.

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

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

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

2. Significant Accounting Policies (contd.)

Fee and commission income

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

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

Long term construction contracts and property development activity

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

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

Income from Sale of land and other rights

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

Income from Project Management

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

Land Lease Premium

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

Vacation ownership

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

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

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

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

Revenue from Membership fees

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

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

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

Revenue from Annual subscription fees

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

Interest income on deferred payment plans

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

(m) Government Grants

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

2. Significant Accounting Policies (contd.)

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

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

(n) Employee Benefits

Superannuation Fund, ESIC and Labour Welfare Fund

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

Provident Fund

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

Long term Compensated Absences

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

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

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

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

Remeasurement gains/losses

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

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

Share based payments

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

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

(o) Borrowing Costs

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

(p) Income taxes

Current tax

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

2. Significant Accounting Policies (contd.)

Deferred tax

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

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

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

Current and deferred tax for the year

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

(q) Provisions

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

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

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

(r) Leases

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

- the contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the lessor has a substantive substitution right, then the asset is not identified
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group as a lessee has the right to direct the use of the asset. The Group has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
 - o the Group as a lessee has the right to operate the asset; or
 - o the Group as a lessee designed the asset in a way that predetermines how and for what purpose it will be used

2. Significant Accounting Policies (contd.)

The Group as a lessee

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

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

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

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

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

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

The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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

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

(s) Business combinations

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

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

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

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

2. Significant Accounting Policies (contd.)

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

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

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

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

(t) Acquisition of interest in associate and joint ventures

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

(u) Discontinued operations

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

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

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

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

3. Recent Accounting Pronouncements

On 24th March, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013 revising Division I, II and III of Schedule III and are applicable from 1st April, 2021. The amendments in Division II (applicable to the Company) of Schedule III, primarily relate to :

- a) Change in existing presentation requirements for certain items in Balance sheet, for eg. lease liabilities, security deposits, current maturities of long term borrowings, effect of prior period errors on equity share capital.
- b) Additional disclosure requirements in specified formats, for eg. ageing of trade receivables, trade payables, capital work in progress, intangible assets, shareholding of promoters, etc.
- c) Disclosure if funds have been used other than for the specific purpose for which it was borrowed from banks and financial institutions.
- d) Additional Regulatory Information, for eg., compliance with layers of companies, title deeds of immovable properties, financial ratios, loans and advances to key managerial personnel, etc.
- e) Disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency.

The amendments are extensive and the Group is evaluating the same.

4. Property, Plant and Equipment

a) Owned assets

Particulars	Rupees crores											
	Land - Freehold	Land - Leasehold	Buildings - Freehold	Buildings - Leasehold	Plant and Equipment - Freehold	Plant and Equipment - Leasehold	Furniture and Fixtures	Vehicles	Aircraft	Office Equipments	Batteries	Total
COST												
Balance as at 1 st April, 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
Additions	62.67	—	273.25	10.95	3,027.16	—	91.53	234.28	—	36.73	—	3,736.57
Additions through business combinations	—	—	—	—	0.15	—	0.09	10.40	—	0.08	—	10.72
Foreign exchange translation differences	78.39	—	130.31	1.85	356.90	—	10.36	0.29	—	0.94	—	579.04
Disposals	(90.90)	—	(37.31)	(2.42)	(389.96)	—	(17.39)	(125.86)	—	(11.35)	(3.00)	(678.19)
Derecognition on disposal of subsidiaries	(27.75)	—	(8.21)	—	(318.92)	—	(0.43)	(2.43)	—	—	—	(357.74)
Reclassified on account of adoption of Ind AS 116	—	(359.86)	—	—	—	(240.50)	(14.50)	—	—	(7.55)	—	(622.41)
Balance as at 31 st March, 2020	3,957.54	—	9,333.38	71.93	38,196.79	—	1,148.58	859.77	103.45	402.44	14.42	54,088.30
Balance as at 1 st April, 2020	3,957.54	—	9,333.38	71.93	38,196.79	—	1,148.58	859.77	103.45	402.44	14.42	54,088.30
Additions	70.76	—	433.11	8.03	1,702.90	—	120.29	95.90	—	32.64	—	2,463.63
Foreign exchange translation differences	228.01	—	355.98	(0.61)	1,488.53	—	32.18	8.18	—	0.41	—	2,112.68
Disposals	(394.48)	—	(96.34)	(22.46)	(491.17)	—	(58.15)	(111.03)	(46.24)	(22.91)	(3.12)	(1,245.90)
Deconsolidation/disposal of subsidiaries..	(2,744.81)	—	(4,355.62)	(0.08)	(18,816.71)	—	(448.88)	(52.27)	—	(7.73)	—	(26,426.10)
Balance as at 31 st March, 2021	1,117.02	—	5,670.51	56.81	22,080.34	—	794.02	800.55	57.21	404.85	11.30	30,992.61
ACCUMULATED DEPRECIATION AND IMPAIRMENT												
Balance as at 1 st April, 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
Depreciation expense for the year	—	—	237.71	5.48	2,438.35	—	91.23	126.26	4.81	37.14	1.96	2,942.94
Foreign exchange translation differences	5.54	—	87.38	0.74	343.49	—	9.37	0.35	—	0.93	—	447.80
Disposals	—	—	(19.39)	(2.16)	(366.50)	—	(13.83)	(85.86)	—	(10.71)	(2.22)	(500.67)
Derecognition on disposal of subsidiaries	—	—	(1.53)	—	(56.82)	—	(0.15)	(1.45)	—	(0.07)	—	(60.02)
Impairment losses recognised in the consolidated statement of profit and loss # \$	79.90	—	152.98	0.22	485.35	—	20.45	0.80	19.93	0.05	—	759.68
Reclassified on account of adoption of Ind AS 116	—	(36.49)	—	—	—	(95.45)	(4.08)	—	—	(5.72)	—	(141.74)
Balance as at 31 st March, 2020	85.44	—	4,718.72	39.59	26,132.32	—	858.78	425.20	60.98	311.92	8.18	32,641.13
Balance as at 1 st April, 2020	85.44	—	4,718.72	39.59	26,132.32	—	858.78	425.20	60.98	311.92	8.18	32,641.13
Depreciation expense for the year	—	—	159.72	6.58	1,518.35	—	63.83	128.30	4.27	36.49	3.79	1,921.33
Depreciation expense for the year from discontinued operations	—	—	50.71	—	605.64	—	16.05	2.03	—	—	—	674.43
Foreign exchange translation differences	(5.05)	—	281.87	(0.21)	1,344.10	—	30.06	4.29	—	0.40	—	1,655.46
Disposals	—	—	(74.36)	(21.38)	(406.01)	—	(54.22)	(70.74)	(21.81)	(22.25)	(2.44)	(673.21)
Deconsolidation / disposal of subsidiaries	—	—	(3,344.70)	(0.04)	(16,252.96)	—	(397.49)	(40.62)	—	(6.18)	—	(20,041.99)
Impairment losses recognised in the consolidated statement of profit and loss*	8.39	—	17.48	—	22.63	—	7.40	0.42	—	—	—	56.32
Balance as at 31 st March, 2021	88.78	—	1,809.44	24.54	12,964.07	—	524.41	448.88	43.44	320.38	9.53	16,233.47
NET CARRYING AMOUNT												
Net carrying amount as at 31 st March, 2020	3,872.10	—	4,614.66	32.34	12,064.47	—	289.80	434.57	42.47	90.52	6.24	21,447.17
Net carrying amount as at 31 st March, 2021	1,028.24	—	3,861.07	32.27	9,116.27	—	269.61	351.67	13.77	84.47	1.77	14,759.14

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

Out of impairment losses recognised in the consolidated statement of profit and loss, Rs. 238.02 crores and Rs. 19.93 crores has been recognised in exceptional items and depreciation and amortisation expense, respectively related to continuing operations.

\$ Impairment losses included Rs. 501.73 crores related to discontinued operations.

4. Property, Plant and Equipment (contd.)

b) Right-of-use assets

Rupees crores

Particulars	Land	Buildings	Plant and Equipment	Furniture and Fixtures	Vehicles	Office Equipments	Total
Balance as at 1st April, 2019	—	—	—	—	—	—	—
On account of adoption of Ind AS 116	229.50	2,232.23	74.30	0.75	85.06	0.35	2,622.19
Reclassified on account of adoption of Ind AS 116	323.37	—	145.05	10.42	—	1.83	480.67
Additions	0.35	246.18	55.74	—	17.62	12.48	332.37
Additions through business combinations	—	0.29	—	—	—	—	0.29
Foreign exchange translation differences	0.55	90.41	20.07	—	2.02	0.19	113.24
Deductions	—	(18.09)	—	—	—	—	(18.09)
Balance as at 31st March, 2020	553.77	2,551.02	295.16	11.17	104.70	14.85	3,530.67
Balance as at 1st April, 2020	553.77	2,551.02	295.16	11.17	104.70	14.85	3,530.67
Additions	41.65	343.34	45.58	—	64.88	3.04	498.49
Foreign exchange translation differences	(0.15)	42.57	(16.43)	—	2.13	1.03	29.15
Deductions	—	(93.29)	(11.29)	—	(7.20)	(0.12)	(111.90)
Deconsolidation / disposal of subsidiaries	(0.26)	(89.12)	(7.63)	—	(36.71)	(5.46)	(139.18)
Balance as at 31st March, 2021	595.01	2,754.52	305.39	11.17	127.80	13.34	3,807.23
ACCUMULATED DEPRECIATION AND IMPAIRMENT							
Balance as at 1st April, 2019	—	—	—	—	—	—	—
Depreciation expense for the year	10.45	355.29	63.39	1.50	32.54	3.49	466.66
Foreign exchange translation differences	0.04	12.79	9.56	—	1.28	0.15	23.82
Deductions	—	(5.04)	—	—	—	—	(5.04)
Impairment losses recognised in the consolidated statement of profit and loss*	—	—	75.22	—	—	—	75.22
Balance as at 31st March, 2020	10.49	363.04	148.17	1.50	33.82	3.64	560.66
Balance as at 1st April, 2020	10.49	363.04	148.17	1.50	33.82	3.64	560.66
Depreciation expense for the year	11.72	373.12	41.79	1.50	31.11	1.63	460.87
Depreciation expense for the year from discontinued operations	0.07	19.58	—	—	9.25	3.67	32.57
Foreign exchange translation differences	(0.01)	4.16	(10.76)	—	0.47	0.37	(5.77)
Deductions	—	(32.45)	(5.32)	—	(6.59)	—	(44.36)
Deconsolidation/disposal of subsidiaries	(0.18)	(38.08)	(1.70)	—	(23.16)	(4.55)	(67.67)
Impairment losses recognised in the consolidated statement of profit and loss*	—	0.38	16.33	—	1.71	—	18.42
Balance as at 31st March, 2021	22.09	689.75	188.51	3.00	46.61	4.76	954.72
NET CARRYING AMOUNT							
Net carrying amount as at 31 st March, 2020	543.28	2,187.98	146.99	9.67	70.88	11.21	2,970.01
Net carrying amount as at 31st March, 2021	572.92	2,064.77	116.88	8.17	81.19	8.58	2,852.51

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

4. Property, Plant and Equipment (contd.)

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

Particulars	Rupees crores	
	2021	2020
a) Owned Assets	14,759.14	21,447.17
b) Right-of-use assets.....	2,852.51	2,970.01
Total	17,611.65	24,417.18

5. Goodwill

Particulars	Rupees crores	
	2021	2020
Balance at the beginning of the year	1,512.31	2,073.60
Additions during the year.....	—	102.79
Impairment during the year (Refer note 29)	(192.85)	(663.42)
Foreign exchange translation difference.....	(14.56)	(0.66)
Balance at the end of the year	1,304.90	1,512.31

Segment wise allocation of goodwill

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

Particulars	Rupees crores	
	2021	2020
Automotive.....	31.96	32.88
Farm Equipment.....	35.19	112.28
Financial Services.....	1.34	1.34
Real Estate.....	103.59	103.59
Hospitality.....	112.49	115.38
Others	1,020.33	1,146.84
Total	1,304.90	1,512.31

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

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

Since mid-March 2020, the outbreak of Covid-19 global pandemic started impacting the economic environment in which these cash generating unit operates. In certain cases, the performance of the cash generating units were below their expected levels. Accordingly, the Group assessed such cash generating units for the recoverable amounts based on fair value less cost of disposal and value-in-use estimates and recognised impairment of goodwill amounting to **Rs. 192.85 crores** for the year ended 31st March, 2021 (2020: Rs. 663.42 crores). The goodwill impairment has been recognised as 'Exceptional item' in the consolidated statement of profit and loss and is attributable to the following operating segments:

- 'Farm Equipment' segment - **Rs. 66.86 crores** (2020: Rs. 9.42 crores). This relates to goodwill allocated to an international subsidiary.
- 'Others' segment - **Rs. 125.99 crores** (2020: Rs. 654.00 crores). This relates to goodwill allocated to domestic business.

6. Other Intangible Assets

Rupees crores

	Development Expenditure	Computer Software	Brand License & Trademarks	Others	Total
COST					
Balance as at 1 st April, 2019	7,451.17	734.28	171.11	360.90	8,717.46
Additions	729.15	112.40	2.81	88.00	932.36
Additions through business combinations	—	0.09	—	0.19	0.28
Foreign exchange translation differences	58.17	10.85	1.85	(2.73)	68.14
Deductions.....	(194.03)	(44.23)	—	(8.97)	(247.23)
Balance as at 31st March, 2020	8,044.46	813.39	175.77	437.39	9,471.01
Balance as at 1st April, 2020	8,044.46	813.39	175.77	437.39	9,471.01
Additions	887.08	83.79	0.88	14.24	985.99
Foreign exchange translation differences	272.28	21.37	3.30	(10.19)	286.76
Deductions.....	(275.38)	(99.85)	—	(33.56)	(408.79)
Deconsolidation / disposal of subsidiaries	(3,446.63)	(290.46)	(34.65)	(10.10)	(3,781.84)
Balance as at 31st March, 2021	5,481.81	528.24	145.30	397.78	6,553.13
ACCUMULATED AMORTISATION AND IMPAIRMENT					
Balance as at 1 st April, 2019	3,244.68	596.28	37.28	157.25	4,035.49
Amortisation expense for the year	1,403.23	88.97	9.36	39.98	1,541.54
Impairment losses recognised in the consolidated statement of profit and loss*	197.15	12.29	0.28	100.28	310.00
Foreign exchange translation differences	42.74	10.89	0.87	9.07	63.57
Deductions.....	(193.20)	(43.01)	—	(3.16)	(239.37)
Balance as at 31st March, 2020	4,694.60	665.42	47.79	303.42	5,711.23
Balance as at 1st April, 2020	4,694.60	665.42	47.79	303.42	5,711.23
Amortisation expense for the year	880.88	70.45	5.94	27.66	984.93
Amortisation expense for the year from discontinued operations	298.89	12.61	2.28	—	313.78
Impairment losses recognised in the consolidated statement of profit and loss*\$	630.42	0.96	0.26	45.96	677.60
Foreign exchange translation differences	225.25	19.85	2.54	(9.74)	237.90
Deductions.....	(275.30)	(99.62)	—	(33.21)	(408.13)
Deconsolidation / disposal of subsidiaries	(3,130.84)	(267.43)	(29.04)	—	(3,427.31)
Balance as at 31st March, 2021	3,323.90	402.24	29.77	334.09	4,090.00
NET CARRYING AMOUNT					
Net carrying amount as at 31 st March, 2020	3,349.86	147.97	127.98	133.97	3,759.78
Net carrying amount as at 31st March, 2021.....	2,157.91	126.00	115.53	63.69	2,463.13

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

\$ Impairment losses included Rs. 572.40 crores (2020: Rs. 214.43 crores) related to discontinued operations.

7. Investments

A. Non-Current Investments

a) Measured as per equity accounting method

Particulars	Rupees crores	
	2021	2020
Quoted		
Investments in Equity Instruments		
— of Associates *	9,151.61	8,280.90
Total	9,151.61	8,280.90
Unquoted		
Investments in Equity Instruments		
— of Associates *	1,344.78	1,348.00
— of Joint ventures *	1,759.83	1,600.50
Total	3,104.61	2,948.50
Investments measured as per equity accounting method	12,256.22	11,229.40

* Refer note 36.

b) Measured as per other than equity accounting method

Particulars	Rupees crores							
	Amortised Cost		FVTOCI		FVTPL		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Quoted								
Investments in Non Convertible Debentures/Bonds	26.03	—	262.15	104.75	—	—	288.18	104.75
Investments in Government Securities.....	1,257.79	975.52	4,448.73	143.02	—	—	5,706.52	1,118.54
Investments in Equity Instruments	—	—	239.85	135.55	—	—	239.85	135.55
Investments in Mutual Funds.....	—	—	—	—	—	6.40	—	6.40
	1,283.82	975.52	4,950.73	383.32	—	6.40	6,234.55	1,365.24
Unquoted								
Investments in Preference Shares								
— of Associates *	5.91	6.86	—	—	—	—	5.91	6.86
— of Joint ventures *	—	5.00	—	—	8.44	8.34	8.44	13.34
— of Other entities	0.03	0.06	—	—	—	4.38	0.03	4.44
Investments in Debentures/Bonds								
— of Joint ventures *	—	—	—	—	84.56	89.14	84.56	89.14
— of Other entities	—	42.90	—	—	—	—	—	42.90
Investments in Alternate Investment Fund	—	—	—	—	11.75	7.88	11.75	7.88
Investments in Equity Instruments	—	—	131.13	140.99	13.25	14.59	144.38	155.58
	5.94	54.82	131.13	140.99	118.00	124.33	255.07	320.14
Total	1,289.76	1,030.34	5,081.86	524.31	118.00	130.73	6,489.62	1,685.38

Other Disclosures :	Rupees crores	
	2021	2020
Aggregate amount of quoted investments (Gross)	15,386.16	9,646.14
Market Value of quoted Investments.....	34,421.25	17,464.02
Aggregate amount of unquoted investments (Gross).....	3,359.68	3,268.64

* Refer note 36

7. Investments (contd.)

B. Current Investments

Rupees crores

Particulars	Amortised Cost		FVTOCI		FVTPL		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Quoted								
Investments in Non-Convertible Debentures/ Bonds	—	25.00	—	—	—	—	—	25.00
Investments in Debentures/Bonds	—	—	31.97	42.07	—	—	31.97	42.07
Investments in Equity Instruments	—	—	*	*	—	—	*	*
Investments in Government Securities.....	30.00	5.00	—	—	—	—	30.00	5.00
Investments in Mutual Funds.....	—	—	—	—	7,261.46	5,605.19	7,261.46	5,605.19
	30.00	30.00	31.97	42.07	7,261.46	5,605.19	7,323.43	5,677.26
Unquoted								
Investments in Certificate of Deposits.....	47.23	79.84	—	321.31	—	—	47.23	401.15
Investments in Corporate Fixed Deposits ...	59.49	217.15	—	—	—	—	59.49	217.15
Investment in Triparty Repo Dealing System (TREPS)	2,404.00	—	—	—	—	—	2,404.00	—
Investments in Commercial paper	—	—	—	—	197.67	—	197.67	—
	2,510.72	296.99	—	321.31	197.67	—	2,708.39	618.30
Total	2,540.72	326.99	31.97	363.38	7,459.13	5,605.19	10,031.82	6,295.56

Rupees crores

Other disclosures :	2021	2020
Aggregate amount of quoted investments	7,323.43	5,677.26
Market value of quoted investments.....	7,324.28	5,677.26
Aggregate amount of unquoted investments.....	2,708.39	618.30

* denotes amounts less than Rs. 50,000.

8. Trade Receivables

Rupees crores

Particulars	Non Current		Current	
	2021	2020	2021	2020
Secured, considered good.....	5.86	7.35	35.90	98.75
Unsecured, considered good	360.30	548.84	5,962.87	6,829.53
Doubtful	7.66	8.87	415.77	363.34
	373.82	565.06	6,414.54	7,291.62
Less: Allowance for Expected Credit Losses.....	7.66	8.87	406.78	363.34
Total	366.16	556.19	6,007.76	6,928.28

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	
	2021	2020	2021	2020
a) Security Deposits				
— Unsecured, considered good.....	113.04	222.62	39.32	104.39
— Doubtful.....	2.11	2.04	0.08	0.04
	115.15	224.66	39.40	104.43
Less: Allowance for doubtful Security deposits	2.11	2.04	0.08	0.04
Total (a).....	113.04	222.62	39.32	104.39
b) Loans to related parties				
— Unsecured, considered good.....	6.27	27.66	73.94	49.55
— Doubtful.....	16.00	17.00	—	—
	22.27	44.66	73.94	49.55
Less: Allowance for doubtful loans to related parties	16.00	17.00	—	—
Total (b)	6.27	27.66	73.94	49.55
c) Other Loans				
— Secured, considered good.....	0.35	0.54	9.99	44.77
— Unsecured, considered good.....	18.18	243.48	199.72	353.24
— Doubtful.....	439.99	2.40	15.94	14.21
	458.52	246.42	225.65	412.22
Less: Allowance for doubtful loans.....	330.65	2.40	15.94	14.21
Total (c)	127.87	244.02	209.71	398.01
d) Financial Services receivable #				
— Secured, considered good.....	33,599.11	40,750.80	19,468.22	18,255.97
— Unsecured, considered good.....	40.33	58.30	2,148.28	2,334.72
— Significant increase in credit risk.....	5,418.28	4,762.09	4,779.62	3,337.81
— Credit impaired	2,072.47	1,900.14	4,711.63	5,114.88
	41,130.19	47,471.33	31,107.75	29,043.38
Less: Allowance for doubtful Financial Services receivable	2,851.69	2,020.40	2,311.17	1,631.65
Total (d)	38,278.50	45,450.93	28,796.58	27,411.73
Total (a)+(b)+(c)+(d).....	38,525.68	45,945.23	29,119.55	27,963.68

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	
	2021	2020	2021	2020
Financial assets at amortised cost				
Bank deposit.....	369.05	467.73	—	—
Security deposit.....	97.87	56.59	39.41	28.52
Interest accrued on investment, other loans.....	—	—	467.71	359.39
Government grant receivable.....	838.88	430.81	224.64	128.76
Others	18.76	41.87	641.69	622.75
Financial Assets at Fair value				
Foreign currency forwards and options, Interest rate swaps & commodity derivatives	67.86	85.86	57.95	37.94
Derivatives on interest over Subsidiaries, associates and joint ventures...	104.96	104.86	—	—
Total	1,497.38	1,187.72	1,431.40	1,177.36

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

Particulars	Rupees crores	
	2021	2020
Current Tax		
In respect of current year	2,057.60	2,002.39
In respect of prior years.....	30.94	311.76
Unrecognised tax losses of previous year used to reduce current tax expense	(73.65)	—
Total Current Tax	2,014.89	2,314.16
Deferred Tax		
In respect of current year origination and reversal of temporary differences.....	(320.14)	(70.07)
Reversal on account of amendment in tax laws *	—	(1,292.38)
Effect of change in tax rate due to switch to new tax regime #	—	871.72
Effect of utilisation/(recognition) of deferred tax on capital losses	(83.80)	27.30
Write down/reversal of Deferred tax assets	87.68	—
In respect of prior years.....	(52.82)	124.88
Total Deferred Tax	(369.08)	(338.55)
Total Income Tax expense	1,645.81	1,975.61

b) Income tax recognised in Other Comprehensive Income

Particulars	Rupees crores	
	2021	2020
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.....	0.69	26.58
Net change in fair value of investments in debt instruments at FVTOCI.....	23.59	(1.27)
Net change in fair value of investments in equity shares at FVTOCI	(0.27)	0.01
Remeasurement of defined benefit plans.....	23.32	7.02
Exchange differences in translating the financial statements of foreign operations - Associates	20.78	24.41
Total	68.11	56.75
Classification of income tax recognised in other comprehensive income		
Income taxes related to items that will not be reclassified to profit or loss.....	23.05	7.03
Income taxes related to items that will be reclassified to profit or loss.....	45.06	49.72
Total	68.11	56.75

11. Current Tax and Deferred Tax (contd.)

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

Particulars	Rupees crores	
	2021	2020
Profit Before Tax	5,347.73	4,688.43
Applicable Income Tax rate	25.17%	25.17%
Expected Income Tax expense	1,345.92	1,179.98
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	(90.82)	23.32
Effect of change in tax rate due to switch to new tax regime #	—	871.72
Effect of income exempt from tax / non taxable on compliance of conditions	(394.89)	(173.47)
Effect of expenses/provisions that is non-deductible in determining taxable profit	220.93	546.30
Unrecognised tax losses of previous year used to reduce current tax expense	(73.65)	—
Effect of unused tax losses & tax offsets for which no deferred tax asset has been recognised	660.46	486.76
Effect of (recognition)/ utilisation of deferred tax on capital losses	(83.80)	27.30
Reversal on account of amendment to tax laws *	—	(1,292.38)
Write down/reversal of Deferred tax assets	87.68	—
Effect of net additional / (reversal) of provision in respect of prior years	(21.88)	436.65
Others	(4.14)	(130.57)
Income tax expense recognised in consolidated statement of profit and loss	1,645.81	1,975.61

* During the year ended 31st March 2020, the Government of India vide Finance Act, 2020 has abolished dividend distribution tax, pursuant to which deferred tax liabilities of Rs. 1,292.38 crores relating to undistributed profit of certain associates have been reversed.

During the year ended 31st March 2020, the Government of India, vide Taxation Laws (Amendment) Tax Ordinance, 2019 has provided an option to the domestic companies to switch to a lower tax rate structure of 22% (25.168% including surcharge and cesses) from the earlier tax rate of 30% (34.944% including surcharge and cesses) subject to condition that the Company will not avail any of the specified deductions / incentives under the Income Tax Act. The Company and many of its group companies have elected to switch to the new lower tax rate structure with effect from the financial year 2019-2020. Consequently, net impact of Rs. 871.72 crores has been recognised in the consolidated statement of profit and loss on account of expensing of MAT credit balance and offset by tax credit on account of restatement of net deferred tax liabilities at the beginning of the year.

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

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

Particulars	Rupees crores	
	2021	2020
Deductible Temporary differences (no expiry date)	880.33	831.06
Unused tax losses (revenue in nature).....	4,722.31	11,894.29
Unused tax losses (capital in nature)	2.76	15.26
Unused tax credits	15.08	164.98
Total	5,620.48	12,905.59

- e) Unused Tax losses - Revenue in nature

Particulars	Rupees crores	
	2021	2020
Expiry period		
Up to Five Years.....	1,015.30	4,258.67
More than Five Years	942.24	5,293.40
No Expiry Date	2,764.77	2,342.22
Total	4,722.31	11,894.29

11. Current Tax and Deferred Tax (contd.)

f) Unused Tax losses - Capital in nature

Rupees crores

Particulars	2021	2020
Expiry period		
Up to five years.....	2.76	2.76
No expiry date	—	12.50
Total	2.76	15.26

g) Unused tax credits

Rupees crores

Particulars	2021	2020
Expiry period		
Up to five years.....	—	126.31
More than five years	15.08	38.67
Total	15.08	164.98

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

Particulars	2021	2020
Undistributed earnings.....	18,539.86	16,270.91

Movement in deferred tax balances

 Year ended 31st March, 2021

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in equity for Ind AS 116	Recognised in OCI	Recognised in Business combination/ Disposal of subsidiaries	Foreign exchange translation differences	Closing Balance
Tax effect of items resulting in taxable temporary differences							
Fiscal allowances on property, plant and equipment and intangible assets.....	2,353.87	(101.37)	—	—	(10.26)	(8.48)	2,233.76
Undistributed profit of associate	20.47	31.21	—	(20.96)	—	—	30.72
Others	73.28	35.16	—	(1.26)	—	(0.40)	106.78
	2,447.62	(35.00)	—	(22.22)	(10.26)	(8.88)	2,371.26
Tax effect of items resulting in deductible temporary differences							
Provision for employee benefits.....	314.05	(8.01)	—	23.32	(0.65)	(0.63)	328.08
Allowances for expected credit loss....	781.54	460.28	—	24.51	(9.96)	(0.02)	1,256.35
Carried forward tax losses	412.72	29.53	—	—	(3.51)	(2.16)	436.58
MAT credit	50.47	(12.54)	—	—	(5.59)	—	32.34
Unrealised gain on inter-company transactions (net)	138.36	(15.44)	—	—	—	—	122.92
Others	529.12	(119.74)	—	(1.94)	9.93	0.78	418.15
	2,226.26	334.08	—	45.89	(9.78)	(2.03)	2,594.42
Net Deferred Tax Asset/(Liabilities)	(221.36)	369.08	—	68.11	0.48	6.85	223.16

11. Current Tax and Deferred Tax (contd.)

Year ended 31st March, 2020

Rupees crores

Particulars	Opening Balance	Recognised in Profit or Loss	Recognised in equity for Ind AS 116	Recognised in OCI	Recognised in Business combination/ Disposal of subsidiaries	Foreign exchange translation differences	Closing Balance
Tax effect of items resulting in taxable temporary differences							
Fiscal allowances on property, plant and equipment and intangible assets.....	2,686.90	(302.25)	(28.00)	—	(3.20)	0.42	2,353.87
Undistributed profit of associates.....	1,352.52	(1,292.38)	—	(39.67)	—	—	20.47
Others	201.11	(116.94)	(1.96)	(9.09)	—	0.16	73.28
	4,240.53	(1,711.57)	(29.96)	(48.76)	(3.20)	0.58	2,447.62
Tax effect of items resulting in deductible temporary differences							
Provision for employee benefits.....	400.30	(94.56)	—	7.02	—	1.29	314.05
Allowances for expected credit loss....	642.24	140.60	—	(1.39)	—	0.09	781.54
Carryforward tax losses	380.11	30.61	—	—	0.40	1.60	412.72
MAT credit.....	1,196.64	(1,146.17)	—	—	—	—	50.47
Unrealised gain on inter-company transactions (net)	218.64	(80.28)	—	—	—	—	138.36
Others	734.20	(223.22)	7.80	2.36	—	7.98	529.12
	3,572.13	(1,373.02)	7.80	7.99	0.40	10.96	2,226.26
Net Deferred Tax Asset/(Liabilities)	(668.40)	338.55	37.76	56.75	3.60	10.38	(221.36)

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

Rupees crores

	2021	2020
Deferred Tax Assets (net)	1,717.32	1,290.53
Deferred Tax Liabilities (net)	1,494.16	1,511.89
Net Deferred Tax Asset/(Liabilities)	223.16	(221.36)

12. Other Assets (Non-Financial)

Rupees crores

Particulars	Non Current		Current	
	2021	2020	2021	2020
Capital Advances.....	945.48	944.47	—	—
Balances with government authorities (other than current taxes).....	369.11	664.14	2,005.76	1,278.16
Contract Assets	8.84	—	87.06	70.16
Deferred Acquisition Cost	653.80	665.16	50.01	48.31
Others	355.21	349.28	937.15	1,164.66
Total	2,332.44	2,623.05	3,079.98	2,561.29

Others include advances to suppliers, prepaid expenses.

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

Particulars	2021	2020
Reclassification of opening balances of contract assets to trade receivables.....	63.21	77.88
Adjustments due to contract modification	0.70	1.92

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

Particulars	2021	2020
Assets recognised from cost incurred to fulfil a contract	703.81	713.47
Amortisation expenses recognised as cost of providing services during the year	48.72	47.12

13. Inventories
Rupees crores

Particulars	2021	2020
Raw materials and bought-out components [includes in-transit Rs. 461.79 crores (2020: Rs. 569.24 crores)].....	3,357.03	3,863.48
Work-in-progress.....	360.17	484.04
Work-in-progress-property development activity and long term contracts.....	1,856.94	1,708.22
Finished products produced	2,717.90	3,468.99
Stock-in-trade [includes in-transit Rs. 7.28 crores (2020: Rs. 27.61 crores)]	935.93	1,223.23
Manufactured components.....	148.95	130.33
Stores and Spares	155.01	152.76
Loose Tools	70.81	68.11
Food, beverages, smokes and operating supplies	12.67	12.70
Total	9,615.41	11,111.86

- (a) The cost of inventories recognised as an expense during the year was **Rs. 42,854.29 crores** (2020: Rs. 43,787.62 crores)
- (b) The cost of inventories recognised as an expense include **Rs. 165.83 crores** (2020: Rs. 187.75 crores) in respect of write-down of inventories to net realisable value, and has been reduced by **Rs. 37.19 crores** (2020: Rs. 29.58 crores) in respect of the reversal of such write downs.
- (c) Certain companies in the Group have availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, which are secured by hypothecation of inventories.
- (d) Mode of valuation of inventories is stated in Note 2 (i)

14. Cash and Cash Equivalents and Bank Balance
Rupees crores

Particulars	2021	2020
a) Cash and Cash Equivalents		
Balances with banks		
– On current accounts.....	2,449.75	3,423.42
– On saving accounts.....	0.03	0.03
– Fixed deposits with original maturity of less than 3 months.....	758.88	1,278.77
Cheques, drafts on hand.....	108.05	21.78
Cash on hand	57.88	21.03
Total	3,374.59	4,745.03
b) Bank balances other than Cash and Cash Equivalents		
Earmarked balances with banks.....	33.59	42.50
Balances with banks on margin accounts.....	59.60	35.19
Fixed deposits.....	9,384.21	3,088.18
Total	9,477.40	3,165.87

15. Equity Share Capital

Rupees crores

Particulars	2021	2020
Authorised :		
8,10,00,00,000 (2020: 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 (2020: 1,24,31,92,544) Ordinary (Equity) Shares of Rs. 5 each fully paid up	621.60	621.60
Less:		
4,84,24,163 (2020: 5,01,52,865) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M ESOP trust but not yet allotted to employees.....	24.21	25.08
Less:		
8,44,70,428 (2020: 8,44,70,428) Ordinary (Equity) Shares of Rs. 5 each fully paid up issued to M&M benefit trust	42.24	42.24
Adjusted Issued, Subscribed and Paid-up	555.15	554.28

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

Particulars	2021		2020	
	No. of Shares	Rupees Crores	No. of Shares	Rupees Crores
Issued, Subscribed and Paid-up :				
Opening balance	1,24,31,92,544	621.60	1,24,31,92,544	621.60
Less :				
Shares issued to M&M ESOP Trust but not yet allotted to Employees ..	4,84,24,163	24.21	5,01,52,865	25.08
Shares issued to M&M Benefit Trust	8,44,70,428	42.24	8,44,70,428	42.24
Adjusted Issued, Subscribed and Paid-up Share Capital	1,11,02,97,953	555.15	1,10,85,69,251	554.28

(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	2021		2020	
	No. of Shares	% Shareholding	No. of Shares	% Shareholding
Prudential Management & Services Private Limited.....	14,15,21,940	11.38	14,15,21,940	11.38
Life Insurance Corporation of India.....	10,22,25,615	8.22	13,42,61,077	10.80
M&M Benefit Trust	8,44,70,428	6.79	8,44,70,428	6.79
J.P. Morgan Chase Bank, N.A. (for GDR holders).....	3,58,41,803	2.88	6,21,89,746	5.00

(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 (2020: 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 (2020: 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 dividend proposed	2021	2020
Proposed Dividend per equity share (Rs.)	8.75	2.35

17. Borrowings
A. Long Term Borrowings
a) Non-current

Particulars	2021	2020
Secured (Carried at Amortised Cost) :		
Debentures & Bonds.....	13,933.06	12,248.39
Term Loan		
(i) From Banks	21,101.55	24,633.60
(ii) From other parties	221.50	67.08
	35,256.11	36,949.07
Unsecured (Carried at Amortised Cost) :		
Debentures & Bonds.....	8,251.08	4,881.61
Term loan from banks.....	3,192.13	425.61
Deposits	5,535.25	7,127.00
Lease Liabilities	2,128.19	2,298.82
Other loans.....	489.09	590.68
Loan from related parties.....	54.71	25.26
	19,650.45	15,348.98
Total	54,906.56	52,298.05

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

The borrowings carry varying rates of interest upto 9.55% p.a. and have maturities starting from 2021 and ending with 2063.

b) Current maturities of long term borrowing – Refer note 19
B. Short Term Borrowings

Particulars	2021	2020
Secured (Carried at Amortised Cost) :		
Other loans.....	313.74	3,144.58
Loans repayable on demand		
– From Banks and Cash credit account.....	415.82	878.08
Term Loan from Banks	1,078.30	1,659.22
	1,807.86	5,681.88
Unsecured (Carried at Amortised Cost) :		
Deposits	744.92	582.64
Other loans.....	226.54	664.30
Loans repayable on demand		
– From Banks and Cash credit account.....	593.45	1,901.95
Loan from related parties.....	518.45	—
Commercial Papers.....	494.52	—
Term Loan from Banks	260.85	1,386.76
	2,838.73	4,535.65
Total	4,646.59	10,217.53

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	2021	2020
Opening balance		
– Long Term Borrowings	52,298.05	43,526.17
– Short Term Borrowings	10,217.53	10,541.01
– Current maturities of Long term borrowings	20,051.43	16,781.12
– Unclaimed matured Deposits.....	5.32	5.22
Total Opening Balance	82,572.33	70,853.52
Cash flow movements		
– Proceeds from borrowings.....	38,100.37	52,617.59
– Repayment of borrowings and lease liabilities	(35,772.09)	(43,415.94)
– Net increase in Loans repayable on demand and cash credit	(1,733.29)	(628.14)
– Repayment of lease liabilities	(552.98)	(557.73)
	42.01	8,015.78
Non-cash movements		
– Addition on account of adoption of Ind AS 116	—	2,601.00
– Addition to lease liability during the year	479.29	332.37
– On account of business combinations during the year	(220.09)	(203.11)
– On deconsolidation of subsidiary	(2,446.74)	—
– Other adjustments on account of lease liabilities	(8.92)	168.41
– Effect of amortisation of loan origination costs and foreign exchange translation.....	212.47	804.36
	(1,983.99)	3,703.03
Closing Balance		
– Long Term Borrowings	54,906.56	52,298.05
– Short Term Borrowings	4,646.59	10,217.53
– Current maturities of Long term borrowings	21,071.68	20,051.43
– Unclaimed matured Deposits.....	5.52	5.32
Total Closing Balance	80,630.35	82,572.33

18. Trade Payables

Rupees crores

Particulars	Non Current		Current	
	2021	2020	2021	2020
Acceptances.....	—	—	1,432.20	2,066.38
Trade payable - Micro and small enterprises	—	—	151.58	147.45
Trade payable - Other than micro and small enterprises	1.44	10.25	13,922.01	12,771.52
Total	1.44	10.25	15,505.79	14,985.35

19. Other Financial Liabilities

Rupees crores

Particulars	Non Current		Current	
	2021	2020	2021	2020
Carried at Amortised Cost				
Current maturities of long-term debt.....	—	—	20,533.41	19,576.70
Current maturities of lease liabilities.....	—	—	538.27	474.73
Unclaimed dividends.....	—	—	18.43	19.87
Unclaimed matured deposits and interest accrued thereon.....	—	—	5.52	5.32
Interest accrued.....	420.63	626.59	2,241.50	1,566.02
Others	498.14	456.45	2,454.64	2,161.26
Carried at Fair value				
Foreign currency forwards and options, Interest rate swaps & commodity derivatives	141.91	95.52	121.63	48.16
Derivatives on interest over associates and joint ventures.....	26.57	29.01	—	—
Gross obligation to acquire non-controlling interest	507.96	573.83	—	—
Total	1,595.21	1,781.40	25,913.40	23,852.06

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	
	2021	2020	2021	2020
Provision for employee benefits.....	1,187.50	3,491.29	330.88	613.05
Provision for warranties.....	386.55	858.89	416.46	777.19
Provision for service coupons.....	19.29	25.50	79.95	106.32
Provision for others.....	7.54	8.45	247.05	254.98
Total	1,600.88	4,384.13	1,074.34	1,751.54

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	
	2021	2020	2021	2020
Opening Balance.....	1,636.08	1,567.29	131.82	155.86
Additional provisions recognised.....	401.90	654.89	47.34	78.17
Amounts utilised.....	(541.10)	(640.53)	(87.20)	(112.29)
Unwinding of discount.....	30.39	32.79	7.28	10.08
Deconsolidation of subsidiary.....	(804.35)	—	—	—
Foreign exchange translation differences.....	80.09	21.64	—	—
Closing Balance	803.01	1,636.08	99.24	131.82

21. Other Non-Financial Liabilities
Rupees crores

Particulars	Non Current		Current	
	2021	2020	2021	2020
Statutory dues (other than income taxes).....	—	—	1,568.83	719.85
Contract Liabilities.....	4,766.00	5,350.37	1,961.06	1,903.08
Others.....	—	—	337.18	279.12
Total	4,766.00	5,350.37	3,867.07	2,902.05

Contract Liabilities represents deferred revenue and advance received from customers.

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

Rupees crores

	2021	2020
Recognition of revenue arising from contract liabilities.....	1,298.52	1,405.52

22. Revenue from Operations

Revenue from operations comprises of :

		<i>Rupees crores</i>	
Particulars	2021	2020	
(a) From contract with customers (as defined under Ind AS 115)			
Sale of products.....	54,154.35	54,724.29	
Sale of services.....	6,596.18	7,441.64	
Income from long term contracts.....	171.15	612.26	
Other operating revenue.....	586.07	504.45	
	61,507.75	63,282.64	
(b) From financial services			
Interest income of financial services business	11,757.30	11,525.88	
	11,757.30	11,525.88	
(c) Others			
Government grant and incentives	695.86	252.90	
Other operating revenue.....	316.87	320.51	
	1,012.73	573.41	
Total (a + b + c).....	74,277.78	75,381.93	

The Group undertakes periodic revalidations in the estimate of variable consideration on account of various economic factors. The amount of revenue recognised from performance obligations satisfied (or partially satisfied) in previous periods is aggregating to Rs. 170.08 crores. (2020: Rs. 125.78 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:

		<i>Rupees crores</i>	
Particulars	2021	2020	
Time Band			
Less than 1 year	1,792.48	1,655.96	
Greater than 1 year but less than 5 year	3,371.67	2,673.82	
Greater than 5 year	3,105.64	3,541.60	
Total	8,269.79	7,871.38	

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

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

		<i>Rupees crores</i>	
Particulars	2021	2020	
Revenue from contract with customer as per the contract price	63,103.97	65,985.88	
Adjustments made to contract price			
– Trade discounts, volume rebates, return etc.....	(2,669.69)	(3,635.32)	
– Deferment of revenue	(225.04)	(394.36)	
– Recognition of revenue out of opening balance of contract liability	1,298.52	1,326.44	
Revenue from contract with customer as per the consolidated statement of profit and loss	61,507.75	63,282.64	

Revenue disaggregation as per nature of products and geography has been included in segment information. (Refer note 38)

23. Other Income
Rupees crores

Particulars	2021	2020
Interest Income		
– On financial assets carried at amortised cost.....	448.21	398.92
– On financial assets carried at FVTOCI.....	7.65	45.78
Dividend income		
– Mutual funds.....	5.38	63.54
Net gains/(losses) on financial instruments	380.99	296.49
Profit on sale of property, plant and equipment and intangible assets.....	5.54	84.66
Other non-operating income (net of directly attributable expenses)	185.34	139.30
Total	1,033.11	1,028.69

24. Cost of Materials Consumed
Rupees crores

Particulars	2021	2020
Opening inventory	3,863.48	4,070.78
Add: Purchases	32,857.55	32,091.24
	36,721.03	36,162.02
Less: Adjustment on account of deconsolidation of subsidiary	(501.39)	(66.92)
	36,219.94	36,095.10
Less: Closing Inventory	3,357.03	3,863.48
Foreign currency translation difference.....	(65.35)	90.18
Total	32,797.56	32,321.80

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

Particulars	2021	2020
Inventories at the beginning of the year:		
Finished goods produced	3,468.99	4,042.95
Work-in-progress.....	484.04	513.87
Stock-in-trade.....	1,223.23	1,343.37
Manufactured Components	130.33	166.00
	5,306.59	6,066.19
Less: Stock on disposal/deconsolidation of subsidiary		
Finished goods produced	(575.21)	4.42
Work-in-progress.....	(155.66)	(10.51)
Stock-in-trade.....	(241.70)	(30.40)
Manufactured Components	(11.40)	1.78
	(983.97)	(34.71)
Less: Inventories at the end of the year:		
Finished goods produced	2,717.90	3,468.99
Work-in-progress.....	360.17	484.04
Stock-in-trade	935.93	1,223.23
Manufactured Components	148.95	130.33
	4,162.95	5,306.59
Foreign currency translation difference.....	(24.08)	101.73
Net (increase)/decrease in inventory	135.59	826.62

26. Employee Benefits Expense

Rupees crores

Particulars	2021	2020
Salaries and wages, including bonus	6,806.34	6,966.73
Contribution to provident and other funds.....	464.77	567.53
Share based payment expenses.....	142.72	204.05
Staff welfare expenses	399.43	476.51
Total	7,813.26	8,214.82

27. Finance Cost

Rupees crores

Particulars	2021	2020
Interest expense on Financial liabilities at amortised cost	5,856.84	5,761.17
Interest on lease liability	133.51	133.87
Other borrowing cost.....	111.87	126.11
Total	6,102.22	6,021.15
Out of the above, finance cost related to:		
– financial services business.....	5,265.45	5,349.32
– others	836.77	671.83
Total	6,102.22	6,021.15

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

28. Other Expenses

Rupees crores

Particulars	2021	2020
Stores consumed	183.68	211.81
Tools consumed.....	45.79	52.33
Power & fuel	429.56	530.92
Rent including lease rentals	232.79	292.60
Insurance.....	181.46	160.51
Repairs and maintenance.....	608.70	767.04
Advertisement.....	356.82	940.56
Commission on sales/contracts (net)	227.12	322.62
Freight outward.....	3,049.13	3,143.78
Sales promotion expenses.....	362.43	844.24
Travelling and conveyance expenses.....	219.00	612.21
Cost of projects.....	374.95	907.58
Subcontracting, hire and service charges	1,310.28	1,339.03
Provision for expected credit losses including write offs \$	4,139.62	2,533.36
Miscellaneous expenses @.....	2,820.59	3,212.61
Total	14,541.92	15,871.20

@ Short term leases and low value leases recognised as an expense for the year ended 31st March, 2021 is aggregating to **Rs. 204.58 crores** (2020: Rs. 251.80 crores) and **Rs. 28.21 crores** (2020: Rs. 40.80 crores) respectively.

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

Rupees crores

Particulars	2021	2020
Expected credit loss on:		
– Trade receivables.....	96.93	188.97
– Contract assets.....	0.70	1.92
– Financial services receivables.....	4,017.37	2,323.89
– Other financial assets.....	24.62	18.58
Total	4,139.62	2,533.36

29. Exceptional items (net)

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

Rupees crores

Particulars	2021	2020
Gain on change in ownership interests in subsidiaries (resulting in loss of control), associates and joint ventures and change of relationships.....	489.60	274.76
Impairments: -		
Property, plant and equipments and right-of-use assets.....	(74.74)	(313.24)
Intangible assets.....	(105.20)	(95.57)
Capital work-in-progress and Intangible under development.....	(1,043.24)	(10.92)
Others.....	(25.20)	—
Goodwill.....	(192.85)	(663.42)
Investment accounted using equity method.....	(206.63)	(362.89)
Total.....	(1,158.26)	(1,171.28)

As described in note 2(h), the Group reviews for indication of asset impairment at the end of reporting date in addition to any impairment indicators that may arise in between the two reporting periods. If there is any indication of asset impairment, the Group estimates the recoverable amount of the asset to determine the amount of the impairment loss. During the year ended 31st March 2021, the internal and external sources of information including the effect of COVID-19 on the economic environment in which these entities operate, provided indicators of asset impairment for certain international subsidiaries. Consequently, impairment has been recognised for property, plant and equipment, right-of-use assets, capital work-in-progress, intangible assets under development and other intangible assets of certain CGUs amounting to **Rs. 1,248.38 crores** during the year ended 31st March 2021 (2020: Rs. 419.73 crores).

As detailed in note 5, impairment of goodwill amounting to **Rs. 192.85 crores** has been recognised during the year ended 31st March, 2021 (2020: Rs. 663.42 crores).

Further, as described in the note 2(c), the investments in associates and joint ventures are accounted using equity method as per Ind AS 28 – Investments in Associates and Joint Ventures. As required by Ind AS 28, after application of the equity method, the Group assesses if there is any objective evidence based on observable data that its net investment in the associate or joint venture is impaired. Based on the observable evidence, certain investments in associate and joint ventures were tested for recoverable amounts and impairment amounting to **Rs. 206.63 crores** has been recognised during the year ended 31st March 2021 (2020: Rs. 362.89 crores).

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

Particulars	2021	2020
Profit for the year for basic EPS (Rupees crores).....	3,347.41	2,391.79
Effect of diluted potential ordinary shares.....	12.96	12.07
Profit for the year for diluted EPS (Rupees crores).....	3,334.45	2,379.72
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS.....	1,10,93,69,466	1,10,44,52,959
Effect of dilutive potential Ordinary (Equity) Shares.....	50,10,630	45,90,921
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.....	1,11,43,80,096	1,10,90,43,880
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share).....	30.17	21.66
Diluted Earnings per share (Rs.).....	29.92	21.46

Earnings per share for discontinued operations

Particulars	2021	2020
Profit for the year for basic EPS (Rupees crores).....	(1,534.92)	(2,264.75)
Profit for the year for diluted EPS (Rupees crores).....	(1,534.92)	(2,264.75)
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS.....	1,10,93,69,466	1,10,44,52,959
Effect of dilutive potential Ordinary (Equity) Shares.....	50,10,630	45,90,921
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS.....	1,11,43,80,096	1,10,90,43,880
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share).....	(13.84)	(20.51)
Diluted Earnings per share (Rs.).....	(13.77)	(20.42)

30. Earnings Per Share (EPS) (contd.)**Earnings per share for continuing and discontinued operations**

Particulars	2021	2020
Profit for the year for basic EPS (Rupees crores)	1,812.49	127.04
Effect of diluted potential ordinary shares	12.96	12.07
Profit for the year for diluted EPS (Rupees crores)	1,799.53	114.97
Weighted average number of Ordinary (Equity) Shares used in computing basic EPS	1,10,93,69,466	1,10,44,52,959
Effect of dilutive potential Ordinary (Equity) Shares	50,10,630	45,90,921
Weighted average number of Ordinary (Equity) Shares used in computing diluted EPS	1,11,43,80,096	1,10,90,43,880
Basic Earnings per share (Rs.) (Face value of Rs. 5 per share)	16.33	1.15
Diluted Earnings per share (Rs.)	16.15	1.04

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. 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 Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

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

Changes in bond yields

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

Inflation risk

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

Life expectancy

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

31. Employee Benefits (contd.)
Defined benefit plans - Actuarial valuation as on 31st March, 2021
Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity*		Post retirement medical benefits		Post retirement housing allowance	
	2021	2020	2021	2020	2021	2020	2021	2020
1 Amounts recognised in profit or loss								
Current service cost	96.36	114.00	213.25	293.25	2.28	3.08	2.37	3.16
Past service cost	(21.06)	(10.91)	—	—	—	—	1.02	12.52
Net interest expense	2.47	10.03	43.46	57.68	2.39	3.46	5.53	4.77
Total amount included in employee benefits expense	77.77	113.12	256.71	350.93	4.67	6.54	8.92	20.45
* Gratuity expenses relating to discontinued operations Rs. 217.41 crores (2020: Rs. 290.07 crores)								
2 Amounts recognised in other comprehensive income								
Remeasurement (gains)/ losses:								
a) Actuarial (gains)/ losses arising from changes in -								
– demographic assumptions	2.36	(15.18)	0.10	(0.79)	(0.08)	(7.41)	—	—
– financial assumptions	35.31	(6.87)	6.38	14.00	3.29	2.53	3.66	4.13
– experience adjustments	(43.88)	(11.43)	(2.90)	7.76	10.79	(12.49)	(1.78)	(2.07)
b) Return on plan assets, excluding amount included in net interest expense/ (income)	(13.27)	3.87	—	—	—	—	—	—
c) Actuarial (gains)/ losses of discontinued operations	—	—	(90.35)	(10.59)	—	—	—	—
Total amount recognised in other comprehensive income	(19.48)	(29.61)	(86.77)	10.38	14.00	(17.37)	1.88	2.06
3 Changes in the defined benefit obligation								
Opening defined benefit obligation	1,211.25	1,170.95	2,570.85	2,286.95	35.31	47.13	83.50	65.19
Current service cost	96.36	114.00	213.25	293.25	2.28	3.08	2.37	3.16
Past service cost	(21.06)	(10.91)	—	—	—	—	1.02	12.52
Interest expense	61.45	69.35	43.46	57.68	2.39	3.46	5.53	4.77
Remeasurements (gains)/ losses	(6.21)	(33.48)	(86.77)	10.38	14.00	(17.37)	1.88	2.06
Benefits paid	(98.18)	(110.75)	(39.61)	(143.43)	(1.52)	(0.99)	(6.13)	(4.20)

31. Employee Benefits (contd.)

Rupees crores

Particulars	Funded Plan		Unfunded Plans					
	Gratuity		Gratuity*		Post retirement medical benefits		Post retirement housing allowance	
	2021	2020	2021	2020	2021	2020	2021	2020
Add/(less): Deconsolidation/sale of subsidiary.....	(4.08)	—	(2,583.82)	1.46	—	—	—	—
Foreign exchange translation difference....	0.55	12.09	194.75	64.56	—	—	—	—
Closing defined benefit obligation	1,240.08	1,211.25	312.11	2,570.85	52.46	35.31	88.17	83.50
4 Changes in fair value of plan assets								
Opening fair value of plan assets	1,082.77	926.75	—	—	—	—	—	—
Interest income	58.98	59.32	—	—	—	—	—	—
Return on plan assets excluding interest income	13.27	(3.87)	—	—	—	—	—	—
Contributions by employer.....	114.32	191.72	—	—	1.52	0.99	6.13	4.20
Benefits paid	(98.18)	(110.75)	—	—	(1.52)	(0.99)	(6.13)	(4.20)
Add/(less): Deconsolidation/sale of subsidiary.....	(7.08)	—	—	—	—	—	—	—
Foreign exchange translation difference....	(2.24)	19.60	—	—	—	—	—	—
Closing fair value of plan assets	1,161.84	1,082.77	—	—	—	—	—	—
5 Net defined benefit obligation								
Defined benefit obligation	1,240.08	1,211.25	312.11	2,570.85	52.46	35.31	88.17	83.50
Fair value of plan assets	1,161.84	1,082.77	—	—	—	—	—	—
Surplus/(Deficit)	(78.24)	(128.48)	(312.11)	(2,570.85)	(52.46)	(35.31)	(88.17)	(83.50)
Current portion of the above	(8.42)	(10.22)	(26.79)	(12.78)	(1.90)	(1.37)	(7.37)	(5.70)
Non current portion of the above.....	(69.82)	(118.26)	(285.32)	(2,558.07)	(50.56)	(33.94)	(80.80)	(77.80)

31. Employee Benefits (contd.)

Particulars	<i>Rupees crores</i>	
	2021	2020
6 Actuarial Assumptions and sensitivity		
a Actuarial assumptions		
Discount rate (%).....	0.45 - 6.91	0.36 - 6.90
Attrition rate (%).....	1.54 - 37	1.57 - 52.00
Cost inflation (%).....	7.00 - 9.00	7.00 - 9.00
Cost inflation includes an estimate of medical inflation and future salary increases taking in to account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
b Quantitative sensitivity analysis for impact of significant assumptions on defined benefit obligation are as below:		
Assumptions		
One percentage point increase in discount rate.....	(168.54)	(372.33)
One percentage point decrease in discount rate	177.82	408.93
One percentage point increase in salary growth rate.....	142.37	366.68
One percentage point decrease in salary growth rate.....	(128.81)	(327.77)
One percentage point increase in attrition rate.....	(37.80)	(67.68)
One percentage point decrease in attrition rate.....	38.27	59.20
One percentage point increase in medical inflation rate	7.75	5.13
One percentage point decrease in medical inflation rate	(6.46)	(4.24)
7 Maturity profile of defined benefit obligation		
Time periods		
Within 1 year	196.40	241.13
2 - 5 year	596.51	979.75
Between 6 and 9 years.....	543.44	1,262.36
10 years and above.....	1,142.24	2,962.36

Trust-managed Provident fund

Particulars	<i>Rupees crores</i>	
	2021	2020
I Net defined benefit obligation		
Defined benefit obligation.....	2,866.01	2,582.80
Fair value of plan assets.....	2,769.25	2,503.74
Surplus/(Deficit).....	(96.76)	(79.06)
II Actuarial assumptions		
Discount rate.....	6.30%	6.85%
Average remaining tenure of investment portfolio (years).....	5.29	5.39
Guaranteed rate of return.....	8.50%	8.50%

The Company has recognised an obligation of **Rs. 66.61 crores** (2020: Rs. 79.06 crores) to fund the shortfall on account of interest rate guarantee through OCI. During the year the Company has paid **Rs. 54.32 crores** (2020: Nil) to the Provident Fund Trust in respect of previous year shortfall.

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

Group's contribution (in respect of companies where applicable) for Provident Fund and Superannuation Fund aggregating **Rs. 347.70 crores** (2020: Rs. 392.84 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	2021	2020
Total Equity	34,072.87	36,217.30
Net Debt		
Short term debt.....	2,357.16	7,639.54
Long term debt (including current portion of long term debt and lease liabilities)	13,514.13	9,687.98
<i>Gross Debt</i>	15,871.29	17,327.52
Less :		
Current investments	4,852.74	2,794.63
Cash and Bank Balances	8,878.03	6,379.56
<i>Net Debt</i>	2,140.52	8,153.33
Total Capital deployed	36,213.39	44,370.63

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.)

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

	<i>Rupees crores</i>				
	US Dollar	Euro	JPY	Others	Total
As at 31st March, 2021					
Financial Assets	1,567.85	1,671.89	0.40	192.36	3,432.50
Financial Liabilities	3,220.60	2,329.69	1,030.51	420.33	7,001.13
As at 31st March, 2020					
Financial Assets	1,467.68	443.74	4.16	402.19	2,317.77
Financial Liabilities	3,440.27	923.71	610.24	183.79	5,158.01

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

Outstanding Contracts	2021		2020	
	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)	Notional value (#)	Carrying amount of hedging instrument included in Other Financial Assets/(Liabilities)
Cash Flow Hedges				
<i>Buy currency</i>				
Maturing in 1+ years				
— EUR/INR	428.75	(62.94)	414.10	(53.98)
<i>Sell currency</i>				
Maturing in 1+ years				
— EUR/INR	1,514.77	65.77	—	—
Maturing less than 1 year				
— USD/INR	269.77	8.89	594.38	(17.50)
— USD/KRW	—	—	865.41	(0.54)
— EUR/KRW	—	—	556.34	1.42
— ZAR/INR	269.33	(3.67)	87.41	15.16
— EUR/INR	6.78	0.22	14.88	(0.53)
— CAD/INR	5.56	0.01	0.43	0.01

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.

33. Financial Instruments (contd.)

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

Rupees crores

Outstanding Contracts	2021		2020	
	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)	Notional value	Carrying amount of hedging instrument included in Other Financial Assets/ (Liabilities)
Cash Flow Hedges				
<i>Floating to fixed Interest Rate Swaps</i>				
<i>Maturing in 1+ years</i>				
EUR.....	428.75	(0.72)	—	—
<i>Maturing in 1+ years</i>				
EUR.....	—	—	414.10	(1.19)
USD.....	183.98	(3.01)	188.34	(4.02)

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

Rupees crores

Particulars	2021			2020		
	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	(156.66)	(4.92)	(161.58)	(36.31)	(0.29)	(36.60)
(Gains)/Losses transferred to Profit or Loss on occurrence of the forecast transaction	0.32	—	0.32	(36.08)	—	(36.08)
(Gains)/Losses transferred to Profit or Loss due to cash flows no longer expected to occur	0.35	—	0.35	(0.08)	—	(0.08)
Change in Fair Value of Effective Portion of cash flow hedges	(12.98)	1.42	(11.56)	(13.49)	(4.78)	(18.27)
Deferred Tax on the above #	0.82	(0.12)	0.71	11.40	0.15	11.55
Balance at the end of the year	(168.15)	(3.62)	(171.76)	(74.56)	(4.92)	(79.48)
Add: Share of Associate/Joint Venture	71.22	—	71.22	(102.07)	—	(102.07)
Deferred Tax on share of associates/ joint ventures	(0.02)	—	(0.02)	15.03	—	15.03
Add/(Less) : Non Controlling interest	3.09	—	3.09	4.94	—	4.94
Less: Deletion on account of deconsolidation of subsidiary	(3.28)	—	(3.28)	—	—	—
Total	(97.15)	(3.62)	(100.76)	(156.66)	(4.92)	(161.58)
Of the above:						
Balance relating to continuing hedges	(97.15)	(3.62)	(100.76)	(156.66)	(4.92)	(161.58)

Impact of deferred tax on opening balance due to changes in tax rate is Rs. Nil (2020: Rs. 8.69 crores).

33. Financial Instruments (contd.)

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 Consolidated Balance Sheet as liabilities is as below.

Rupees crores

Particulars	2021	2020
Maximum exposure	1,030.61	552.95
Amount recognised as liability	368.67	29.77

(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, 2021				
Gross carrying amount	2,256.45	2,485.13	775.35	5,516.93
Loss allowance provision	—	(40.66)	(364.77)	(405.43)
Net.....	2,256.45	2,444.47	410.58	5,111.50
As at 31st March, 2020				
Gross carrying amount	1,931.44	3,383.96	787.28	6,102.68
Loss allowance provision	—	(22.87)	(338.87)	(361.74)
Net.....	1,931.44	3,361.09	448.41	5,740.94

	2021	2020
Related to hospitality segment		
Gross carrying amount	1,271.43	1,754.00
Loss allowance provision	(9.01)	(10.47)
Net.....	1,262.42	1,743.53

Reconciliation of loss allowance for Trade Receivables:

Other than related to hospitality segment

Rupees crores

Particulars	2021	2020
Balance as at beginning of the year	361.74	248.68
Additions during the year.....	149.06	191.90
Amounts written off during the year.....	(33.51)	(45.40)
Impairment losses reversed/written back	(57.32)	(17.13)
Foreign exchange translation difference.....	(1.22)	3.23
On account of deconsolidation/disposal of subsidiaries.....	(13.32)	(19.54)
Balance as at end of the year	405.43	361.74

33. Financial Instruments (contd.)

(b) Trade Receivables (contd.)

Related to hospitality segment

Particulars	Rupees crores	
	2021	2020
Balance as at beginning of the year	10.47	9.38
Additions during the year.....	—	1.09
Amounts written off during the year.....	(1.46)	—
Balance as at end of the year	9.01	10.47

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

Particulars	Rupees crores	
	2021	2020
<i>Gross carrying value of Retail and SME loan assets</i>		
Neither Past due nor impaired.....	46,930.44	56,091.97
Past due but not impaired		
30 days past due.....	7,212.17	4,343.99
31-90 days past due	10,175.33	7,888.40
Impaired (more than 90 days)	6,725.02	6,951.00
Total Gross carrying value as at reporting date	71,042.96	75,275.36

Trade Advances

Particulars	Rupees crores	
	2021	2020
<i>Gross carrying amount of trade advances</i>		
Less than 60 days past due	1113.33	963.83
61-90 days past due.....	22.57	211.50
Impaired (more than 90 days)	59.08	64.02
Total Gross carrying value as at reporting date	1,194.98	1,239.35

Inputs considered in the ECL model

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

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

- Stage 1: 0-30 days past due
- Stage 2: 31-90 days past due
- Stage 3: More than 90 days past due

RBI COVID-19 Regulatory Package

In accordance with the Reserve Bank of India (RBI) notification no. RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated 27th March, 2020 and RBI/2019-20/220 DOR.No.BP.BC.63/21.04.048/2020-21 dated 17th April, 2020 relating to 'COVID-19 - Regulatory Package', the financial services subsidiaries, as per their board approved policy and ICAI advisories, has granted moratorium upto three months on the payment of installments falling due between 1st March, 2020 and 31st May, 2020 to all eligible borrowers. And in respect of accounts overdue but standard (i.e, stage 1 and stage 2) at 29th February, 2020 where moratorium benefit has been granted, for the purpose of staging of those accounts and for determination of impairment loss allowance as at 31st March, 2020, the days past due status as on 29th March, 2020 has been considered.

33. Financial Instruments (contd.)

(c) Credit risk related to financial services business (contd.)

Impact of COVID-19

The impact of COVID-19 on the global economy and how governments, businesses and consumers respond is uncertain. This uncertainty is reflected in the assessment of impairment loss allowance on its loans which are subject to a number of judgements and estimates. In relation to COVID-19, judgements and assumptions include the extent and duration of the pandemic, the impacts of actions of governments and other authorities, and the responses of businesses and consumers in different industries, along with the associated impact on the global economy.

The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated 3rd September, 2020 ("Interim Order"), had directed banks and NBFCs that accounts which were not declared NPA till 31st August, 2020 shall not be declared as NPA till further orders. Accordingly, the financial services business did not classify any account which was not NPA as of 31st August, 2020 as per the RBI IRAC norms, as NPA after 31st August, 2020.

Basis the said interim order, until 31st December, 2020, the financial services business did not classify any additional borrower account as NPA as per the Reserve Bank of India or other regulatory prescribed norms, after 31st August, 2020 which were not NPA as of 31st August, 2020, however, during such periods, the financial services business has classified those accounts as stage 3 and provisioned accordingly for financial reporting purposes.

The interim order granted to not declare accounts as NPA stood vacated on 23rd March, 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial manufacturers Association vs. UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular no. RBI/2021-22/17DOR. STR.REC.4/21.04.048/2021-22 dated 7th April, 2021 issued in this connection, the financial services business has continued with the asset classification of borrower accounts as per the extant RBI instructions/IRAC norms and as per ECL model under Ind AS financial statements for the quarter and year ended 31st March, 2021.

In accordance with the instructions in aforementioned RBI circular dated 7th April, 2021, and the Indian Banks' Association ('IBA') advisory letter dated 19th April, 2021, the financial services business has put in place a Board approved policy to refund/ adjust the 'interest on interest' charged to borrowers during the moratorium period. i.e. 1st March, 2020 to 31st August, 2020. The financial services business has estimated the said amount and made a provision in the financial statements for the year ended 31st March, 2021.

Assumptions considered in the ECL model

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

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

Estimation Technique

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

- "Probability of Default" (PD) is applied on Stage 1 and Stage 2 on portfolio basis and for Stage 3 PD at 100%. This is calculated as an average of the last 60 months yearly movement of default rates and future adjustment for macro economic factor.
- Loss given default is calculated based on discounted actual cash flow on past portfolio in default along with reversals.

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

Forward Looking Information

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

Assessment of significant increase in credit risk

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

33. Financial Instruments (contd.)

(c) Credit risk related to financial services business (contd.)

Definition of default

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

Policy for write off of Loan Assets

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

In accordance with the regulatory expectation of the Reserve Bank of India to bring down the Net NPA ratio below 4% for the financial services subsidiary Mahindra and Mahindra Financial Services Limited (MMFSL), which MMFSL has agreed with, an additional provision of **Rs. 1,320.00 crores** has been recorded on Stage 3 loans during the quarter ended 31st March, 2021. Resultantly, the net NPA of MMFSL stands at **3.97%** as at 31st March, 2021.

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, 2021	54,142.61	10,175.33	6,725.02	71,042.96
Expected credit loss rate	0.88%	10.41%	52.94%	
Carrying amount as at 31 st March, 2021 (net of impairment provision)	53,665.04	9,115.61	3,164.50	65,945.15
Gross Balance as at 31 st March, 2020	60,435.96	7,888.40	6,951.00	75,275.36
Expected credit loss rate	0.99%	10.74%	30.53%	
Carrying amount as at 31 st March, 2020 (net of impairment provision)	59,835.42	7,040.95	4,829.13	71,705.50

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 st April, 2019	562.58	677.65	912.19	2,152.42
— Transferred to/from 12 months ECL	171.49	(117.45)	(54.04)	—
— Transferred to/from lifetime ECL not credit impaired	(37.22)	47.88	(10.66)	—
— Transferred to/from lifetime ECL credit impaired	(12.04)	(134.49)	146.53	—
Loans that have been derecognised during the year	(52.75)	(90.15)	(164.73)	(307.63)
New loans originated during the year	262.67	96.01	104.30	462.98
Write-offs	—	(0.02)	(322.58)	(322.60)
Net remeasurement of loss allowance	(294.19)	368.02	1,510.86	1,584.69
Balance as at 31 st March, 2020	600.54	847.45	2,121.87	3,569.86

33. Financial Instruments (contd.)
(c) Credit risk related to financial services business (contd.)
Rupees crores

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

Trade advances
Rupees crores

	2021	2020
Loss allowance provision	65.05	82.19

Impairment loss on financial services receivable for the year ended 31st March, 2021 recognised in profit or loss of **Rs. 4,017.37 crores** (2020: Rs. 2,323.89 crores) includes bad debts and write offs of **Rs. 2,506.52 crores** (2020: Rs.891.55 crores), changes in provision for expected credit loss of **Rs. 1,510.81 crores** (2020: Rs.1,433.99 crores) and changes in provision for loan commitments of **Rs. 0.04 crores** (2020: (Rs.1.65) crores).

'12 months ECL' and 'lifetime ECL not credit impaired' are collectively assessed. 'Lifetime ECL credit impaired' are individually assessed. Loan which are written off continue to be subject of enforcement activity.

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

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

Concentration of Credit Risk

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

Rupees crores

	2021	2020
Carrying Value	72,237.94	76,514.71
Concentration by Geographical region in India:		
North	19,379.94	20,051.06
East	17,252.60	17,437.44
West	19,839.76	22,372.69
South	15,765.64	16,653.52
Total Loans as at reporting year	72,237.94	76,514.71

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.

33. Financial Instruments (contd.)

(c) Credit risk related to financial services business (contd.)

Narrative Description of Collateral

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

Quantitative Information of Collateral - Credit Impaired assets

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

Rupees crores

Loan To Value (LTV) Range	Gross Value of loans in stage 3	
	2021	2020
Upto 50% coverage.....	458.31	643.83
51 - 70% coverage.....	641.45	730.07
71 - 100% coverage.....	679.45	685.43
Above 100% coverage	4,945.81	4,891.67
	6,725.02	6,951.00

3. Liquidity risk management

(a) Maturity profile of financial liabilities

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

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years	5 years and above
As at 31st March, 2021				
Short term borrowings - Principal	4,646.59	—	—	—
Short term borrowings - Interest	185.67	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal	20,533.41	35,226.85	8,649.45	9,018.31
Long term borrowings (including Current maturities of long term debt) - Interest	5,141.13	5,889.07	2,363.65	4,876.81
Trade payables	15,505.79	1.44	—	—
Financial Guarantees	1,030.61	—	—	—
Lease Liabilities	642.52	823.38	527.96	1,262.97
Other Financial Liabilities.....	2,130.41	108.85	3.62	365.18
Total	49,816.13	42,049.59	11,544.68	15,523.27
As at 31st March, 2020				
Short term borrowings - Principal	10,217.53	—	—	—
Short term borrowings - Interest	273.49	—	—	—
Long term borrowings (including Current maturities of long term debt) - Principal	19,576.70	32,776.70	7,445.76	9,895.45
Long term borrowings (including Current maturities of long term debt) - Interest	4,573.56	6,695.31	2,851.43	5,273.19
Trade payables	14,985.35	10.21	0.04	—
Financial Guarantees	552.95	—	—	—
Lease Liabilities	588.69	763.54	711.08	1,418.60
Other Financial Liabilities.....	2,181.82	243.51	8.54	182.45
Total	52,950.09	40,489.27	11,016.85	16,769.69

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) Maturity profile of derivative financial liabilities

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

Rupees crores

Particulars	Less than 1 Year	1-3 Years	3 Years to 5 Years
As at 31st March, 2021			
Interest rate & currency swaps	3.70	48.33	65.89
Foreign exchange forward contracts	117.47	25.98	—
Commodity futures	2.49	—	—
Derivatives on interest over joint ventures	8.02	89.18	—
Gross obligation to acquire non-controlling interest	447.20	—	99.56
	578.88	163.49	165.45
As at 31st March, 2020			
Interest rate & currency swaps	11.05	16.25	—
Foreign exchange forward contracts	20.59	81.90	—
Commodity futures	16.52	—	—
Derivatives on interest over joint ventures	23.58	80.43	—
Gross obligation to acquire non-controlling interest	11.28	463.60	104.45
	83.02	642.18	104.45

4. Sensitivity Analysis
(a) Foreign Currency Sensitivity

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

Rupees crores

Particulars	Currency	Change in rate	Effect on Profit Before Tax	Effect on pre-tax equity
Year ended 31 st March, 2021	INR/USD	+10%	47.49	(23.70)
	JPY/USD	+10%	22.91	—
	INR/EUR	+10%	(2.54)	—
Year ended 31 st March, 2020	INR/USD	+10%	32.32	(43.82)
	JPY/USD	+10%	36.96	—
	INR/EUR	+10%	8.51	—

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

(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 31 st March, 2021	INR	+50 bps	(77.33)	—
	EUR	+25 bps	(1.77)	0.27
Year ended 31 st March, 2020	INR	+50 bps	(90.18)	—
	EUR	+25 bps	(1.78)	1.32

33. Financial Instruments (contd.)

5. Fair Value Disclosures

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

										Rupees crores	
Financial assets/ financial liabilities	Financial assets/ financial liabilities	Fair Value Category	2021	2020	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		
1) Foreign currency forwards, interest rate swaps & commodity derivatives	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL/FVTOCI	(45.51)	(89.58)	Level 2	Discounted Cash Flow and Interest rate	Future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counter parties.	—	—		
2) Currency options	Financial Assets/ (Liabilities)	Financial Instruments measured at FVTPL	(92.22)	69.70	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	78.39	75.85	Level 3	Comparable Companies Method/ Discounted Cash-flow/Price of recent transactions/ Comparable Companies quoted multiples	For Comparable Companies Method/Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.	Interest rates to discount future cashflows, financial projections	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of derivatives on interest in subsidiaries, associates and joint ventures.		
4) Gross obligation to acquire non-controlling interest	Financial Liabilities	Financial Instruments measured at FVTPL	(507.96)	(573.83)	Level 3	Comparable Companies Method/ Discounted Cash-flow/Price of recent transactions/ Comparable Companies quoted multiples	For Comparable Companies Method/Comparable Companies Quoted Multiples - compare the price for which comparable companies are traded on the capital market. For Discounted Cash Flow - Companies Financial projections. These include forecasts of balance sheet, statement of profit and loss along with underlying assumptions.	Interest rates to discount future cashflows, financial projections	Any change (increase/decrease) in the discount factor, financial projections etc. would entail corresponding change in the valuation of gross obligation to acquire non-controlling interest		
5) Investment in Mutual Funds and Alternate Investment Fund	Financial Assets	Financial instrument measured at FVTPL	7,273.21	5,619.47	Level 1	Net asset value	—	—	—		
6) Investment in equity instruments -Quoted	Financial Assets	Financial instrument designated at FVTOCI	239.85	135.55	Level 1	Quoted bid price in active market	—	—	—		
7) Investment in equity instruments- Unquoted	Financial Assets	Financial instrument designated at FVTOCI	131.13	140.99	Level 3	Discounted Cash Flow/ Market Multiple approach	For Discounted Cash Flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. The key inputs includes, long term revenue growth rates, long term pre tax operating profit margin, WACC, Discount for lack market for respective equity instrument	Terminal growth rate, weighted average cost of capital. Market multiples used for benchmarking.	Increase or decrease in multiple will result in increase or decrease in valuation		
	Financial Assets	Financial instrument measured at FVTPL	13.25	14.59	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.)

Financial assets/ financial liabilities	Financial assets/ financial liabilities	Fair Value	2021	2020	Fair value hierarchy	Valuation technique(s)	Key inputs	Significant unobservable input(s) for level 3 hierarchy	Relationship of unobservable inputs to fair value and sensitivity
8) Investment in debt instruments - Government Securities	Financial Assets	Financial instrument measured at FVTOCI	4,448.73	143.02	Level 1	Quoted market price	—	—	—
9) Investment in debt instruments - Debentures/Bonds, etc	Financial Assets	Financial instrument measured at FVTOCI	294.12	146.82	Level 1	Quoted market price	—	—	—
	Financial Assets	Financial instrument measured at FVTPL	93.00	101.86	Level 3	Income Approach - Discounted Cash Flow	For Discounted Cash Flow approach - The discounted cash flow method used to capture the present value of the expected future economic benefits to be derived from the ownership of these investees. The key inputs includes, long term revenue growth rates, balance sheets, statement of profit and loss along with underlying assumptions.	Interest rates to discount future cash flow, financial projections	Increase or decrease in multiple will result in increase or decrease in valuation
10) Investment in Other financial instruments -CP, CD	Financial Assets	Financial instrument measured at FVTOCI	—	321.31	Level 1	Market price	—	—	—
	Financial Assets	Financial instrument measured at FVTPL	197.67	—	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	Investment in debentures/ bonds etc	Derivatives on interest over Subsidiaries, associates and joint ventures (Net)	Gross obligation to acquire non-controlling interest
Year Ended 31st March, 2021				
Opening balance.....	155.58	101.86	75.85	(573.83)
Total gains or losses recognised:				
a) in profit/(loss).....	1.03	5.38	(0.31)	58.10
b) in other comprehensive income.....	(42.83)	—	—	—
Purchase during the year.....	38.05	—	—	—
Disposal during the year.....	(2.20)	(7.66)	2.85	—
Exercise of put option.....	—	—	—	8.20
Deconsolidation of subsidiary.....	(3.56)	—	—	—
Adjustment for share of losses of joint ventures.....	—	(6.58)	—	—
Exchange differences.....	(1.69)	—	—	(0.43)
Closing balance.....	144.38	93.00	78.39	(507.96)
Year Ended 31st March, 2020				
Opening balance.....	72.56	316.23	200.43	(869.13)
Total gains or losses recognised:				
a) in profit/(loss).....	—	—	(124.57)	70.44
b) in other comprehensive income.....	(31.51)	19.02	—	—
Purchase during the year.....	113.73	18.80	—	—
Disposal/conversion into equity during the year	(1.54)	(252.19)	—	—
Addition during the year.....	—	—	(0.01)	(68.58)
Exercise of put option.....	—	—	—	293.44
Exchange differences.....	2.34	—	—	—
Closing balance.....	155.58	101.86	75.85	(573.83)

Equity Investments designated at FVTOCI

Rupees crores

Particulars	2021	2020
Investment in quoted and unquoted equity instruments:		
Fair value of investments.....	370.98	276.54

33. Financial Instruments (contd.)

5. Fair Value Disclosures (contd.)

(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, 2021					
Financial assets					
a) Investments	3,830.48	3,909.51	1,390.03	2,519.48	—
b) Trade Receivables.....	6,373.92	6,373.92	—	6,373.92	—
c) Financial Services Receivable	67,075.08	67,526.12	—	—	67,526.12
d) Security Deposit	289.64	289.64	—	289.64	—
e) Other Loans.....	2,609.47	2,622.07	—	1,812.42	809.65
f) Fixed Deposit.....	369.05	369.05	—	369.05	—
Total	80,547.64	81,090.31	1,390.03	11,364.51	68,335.77
Financial liabilities					
a) Non-Current Borrowing	54,906.56	56,897.12	20,891.46	36,005.66	—
b) Trade Payable.....	15,507.23	15,507.23	—	15,507.23	—
c) Current Borrowings	4,646.59	4,646.59	—	4,646.59	—
d) Other Financial Liabilities.....	26,710.54	26,710.54	4,075.95	22,010.64	623.95
Total	1,01,770.92	1,03,761.48	24,967.41	78,170.12	623.95
As at 31st March, 2020					
Financial assets					
a) Investments	1,357.33	1,408.18	1,055.94	352.24	—
b) Trade Receivables.....	7,484.47	7,484.47	—	7,484.47	—
c) Financial Services Receivable	72,862.66	72,726.88	—	—	72,726.88
d) Security Deposit	412.12	412.12	—	412.12	—
e) Other Loans.....	2,302.82	2,307.35	—	1,807.30	500.05
f) Fixed Deposit.....	467.73	467.73	—	467.73	—
Total	84,887.13	84,806.73	1,055.94	10,523.86	73,226.93
Financial liabilities					
a) Non-Current Borrowing	52,298.05	53,444.26	17,734.91	35,709.35	—
b) Trade Payable.....	14,995.60	14,995.60	—	14,995.60	—
c) Current Borrowings	10,217.53	10,217.53	—	10,217.53	—
d) Other Financial Liabilities.....	24,886.94	24,886.94	7,274.68	17,210.37	401.89
Total	1,02,398.12	1,03,544.33	25,009.59	78,132.85	401.89

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

34. Significant changes in ownership

a) Disposal of subsidiary

Divine Solren Private Limited

During the year ended 31st March, 2021, Mahindra Renewables Private Limited, a step-down wholly owned subsidiary of the Company, has sold its 100% stake in the Divine Solren Private Limited, for an aggregate consideration amounting to **Rs. 124.47 crores**. Following the disposal, a gain aggregating to **Rs. 41.13 crores** is recognised in the consolidated statement of profit and loss.

Mahindra First Choice Services Limited and Auto Digitech Private Limited

During the year ended 31st March, 2021, Mahindra Holdings Limited, a wholly-owned subsidiary of the Company, has sold its 100% stake in the Mahindra First Choice Services Limited and Auto Digitech Private Limited, for a consideration aggregating to **Rs. 35.00 crores**. Following the disposal, a gain aggregating to **Rs. 95.05 crores** is recognised in the consolidated statement of profit and loss.

b) Change in status

Mahindra Asset Management Company Private Limited and Mahindra Trustee Company Private Limited

Mahindra & Mahindra Financial Services Limited ("MMFSL"), a subsidiary of the Company along with its subsidiaries Mahindra Asset Management Company Private Limited ("MAMCPL") and Mahindra Trustee Company Private Limited ("MTCPL") had entered into an agreement to form a Joint Venture with Manulife Asset Management (Singapore) Pte. Ltd. ("Manulife"). Pursuant to these agreements, Manulife has made an equity investment aggregating to USD 35.00 million to acquire 49% of the share capital of MAMCPL & MTCPL.

Through a combination of stake sale and the capital infusion by Manulife, status of MAMCPL and MTCPL has changed from a subsidiary to joint venture with shareholding reduced to 51%. The gain on sale of stake and gain on fair valuation of retained stake aggregating to **Rs. 228.54 crores** is recognised in the consolidated statement of profit and loss.

Ssangyong Motor Company (SYMC)

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

Pursuant to the admission in the Autonomous Rehabilitation Support Program (ARS) and following the guidance under Ind AS 110 – Consolidated Financial Statements, the Group has ceased control over SYMC and accordingly has ceased consolidating SYMC as a subsidiary w.e.f. 28th December, 2020 and the equity investment in SYMC has been designated as Equity Investment measured at fair value. (Refer note 42)

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 * ##	
		As at 31 st March,	
		2021	2020
Mahindra Vehicle Manufacturers Limited	India	100.00%	100.00%
Mahindra Heavy Engines Limited.....	India	100.00%	100.00%
Mahindra Electric Mobility Limited.....	India	99.35%	99.43%
Mahindra Trucks and Buses Limited (upto 31 st July, 2020) &.....	India	—	100.00%
Mahindra Automobile Distributor Private Limited (upto 31 st July, 2020) &.....	India	—	100.00%
NBS International Limited.....	India	100.00%	100.00%
Mahindra Automotive Australia Pty. Limited.....	Australia	100.00%	100.00%
Ssangyong Motor Company (upto 28 th December, 2020).....	South Korea	—	74.65%
Ssangyong Motor (Shanghai) Company Limited (upto 28 th December, 2020)	China	—	74.65%
Ssangyong European Parts Center B.V. (upto 28 th December, 2020).....	Netherlands	—	74.65%
SsangYong Australia Pty Limited (upto 28 th December, 2020).....	Australia	—	74.65%
Mahindra Europe s.r.l.	Italy	100.00%	100.00%
Mahindra and Mahindra South Africa (Proprietary) Limited	South Africa	100.00%	100.00%
Graphic Research Design S.r.l. (Liquidated on 1 st April, 2020)	Italy	—	100.00%
Mahindra West Africa Limited (Under liquidation).....	Nigeria	100.00%	100.00%
Gromax Agri Equipment Limited	India	60.00%	60.00%
Auto Digitech Private Limited (upto 25 th February, 2021)	India	—	100.00%
Kota Farm Services Limited @	India	47.81%	47.81%
Trringo.com Limited.....	India	100.00%	100.00%
Mahindra USA Inc.....	U.S.A.	100.00%	100.00%
Mitsubishi Mahindra Agricultural Machinery Co., Ltd \$	Japan	66.67%	66.67%
Mitsubishi Agricultural Machinery Sales Co., Ltd.....	Japan	66.67%	66.67%
Ryono Factory Co., Ltd.	Japan	66.67%	66.67%
Ryono Engineering Co., Ltd.	Japan	66.67%	66.67%
Dia Computer Service Co., Ltd.....	Japan	66.67%	66.67%
Ryono Asset Management Co., Ltd.....	Japan	66.67%	66.67%
Mahindra Mexico S. de. R. L.....	Mexico	100.00%	100.00%
Mahindra do Brasil Industrial Ltda.....	Brazil	100.00%	100.00%
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi	Turkey	94.33%	88.86%
Hisarlar İthalat İhracat Pazarlama Anonim Şirketi	Turkey	94.33%	88.86%
Mahindra & Mahindra Financial Services Limited.....	India	52.31%	51.39%
Mahindra Insurance Brokers Limited	India	41.85%	41.11%
Mahindra Rural Housing Finance Limited	India	52.00%	51.18%
Mahindra Manulife Investment Management Private Limited (formerly known as Mahindra Asset Management Company Private Limited) (upto 28 th April, 2020) ^.....	India	—	51.39%
Mahindra Manulife Trustee Private Limited (formerly known as Mahindra Trustee Company Private Limited) (upto 28 th April, 2020) ^.....	India	—	51.39%
Mahindra Finance CSR Foundation	India	52.31%	51.39%
MRHFL Employee Welfare Trust (ESOP).....	India	52.00%	51.18%
Mahindra Lifespace Developers Limited.....	India	51.46%	51.48%

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 * ##	
		As at 31 st March,	
		2021	2020
Mahindra Infrastructure Developers Limited	India	51.46%	51.48%
Mahindra World City (Maharashtra) Limited	India	51.46%	51.48%
Mahindra Integrated Township Limited	India	38.08%	38.09%
Knowledge Township Limited	India	51.46%	51.48%
Mahindra Residential Developers Limited	India	38.08%	38.09%
Industrial Township (Maharashtra) Limited	India	51.46%	51.48%
Anthurium Developers Limited	India	51.46%	51.48%
Mahindra Water Utilities Limited	India	50.94%	50.96%
Rathna Bhoomi Enterprises Private Limited	India	51.46%	51.48%
Deep Mangal Developers Private Limited	India	51.46%	51.48%
Moonshine Construction Private Limited	India	51.46%	51.48%
Mahindra Consulting Engineers Limited	India	88.35%	88.35%
Mahindra Bloomdale Developers Limited	India	51.46%	51.48%
Mahindra Holidays & Resorts India Limited	India	67.63%	67.63%
Mahindra Hotels and Residences India Limited	India	67.63%	67.63%
Gables Promoters Private Limited	India	67.63%	67.63%
Heritage Bird (M) Sdn. Bhd.	Malaysia	67.63%	67.63%
Infinity Hospitality Group Company Limited	Thailand	50.02%	50.02%
MH Boutique Hospitality Limited @	Thailand	33.14%	33.14%
MHR Holdings (Mauritius) Limited	Mauritius	67.63%	67.63%
Covington S.a.r.l.	Luxembourg	67.63%	67.63%
HCR Management Oy	Finland	67.63%	67.63%
Holiday Club Resorts Oy	Finland	67.63%	67.63%
Kiinteistö Oy Himos Gardens	Finland	67.63%	67.63%
Suomen Vapaa-aikakiinteistöt Oy LKV	Finland	67.63%	67.63%
Kiinteistö Oy Vanha Ykköstii	Finland	67.63%	67.63%
Kiinteistö Oy Katinnurkka	Finland	67.63%	67.63%
Kiinteistö Oy Tenetilahti	Finland	67.63%	67.63%
Kiinteistö Oy Mällönsniemi	Finland	67.63%	67.63%
Kiinteistö Oy Rauhan Ranta 1	Finland	67.63%	67.63%
Kiinteistö Oy Rauhan Ranta 2	Finland	67.63%	67.63%
Kiinteistö Oy Tiurunniemi	Finland	67.63%	67.63%
Kiinteistö Oy Rauhan Liikekiinteistöt 1	Finland	67.63%	67.63%
Supermarket Capri Oy	Finland	67.63%	67.63%
Kiinteistö Oy Kylpyläntorni 1	Finland	67.63%	67.63%
Kiinteistö Oy Spa Lofts 2	Finland	67.63%	67.63%
Kiinteistö Oy Spa Lofts 3	Finland	67.63%	67.63%
Kiinteistö Oy Kuusamon Pulkajärvi 1	Finland	67.63%	67.63%
Ownership Services Sweden Ab	Sweden	67.63%	67.63%
Are Villa 3 AB	Sweden	67.63%	67.63%

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 * ##	
		As at 31 st March,	
		2021	2020
Holiday Club Sweden Ab Åre	Sweden	67.63%	67.63%
Holiday Club Sport and Spahotels AB.....	Sweden	34.49%	34.49%
Holiday Club Resorts Rus LLC.....	Russia	67.63%	67.63%
Holiday Club Canarias Investments S.L.U.....	Spain	67.63%	67.63%
Holiday Club Canarias Sales & Marketing S.L.U.....	Spain	67.63%	67.63%
Holiday Club Canarias Resort Management S.L.U.	Spain	67.63%	67.63%
Holiday Club Canarias Vacation Club SLU (formerly known as Passsport Sante SL).....	Spain	67.63%	67.63%
Arabian Dreams Hotel Apartments LLC @.....	U.A.E	33.14%	33.14%
Mahindra Two Wheelers Limited &	India	100.00%	100.00%
Mahindra Two Wheelers Europe Holdings S.a.r.l.....	Luxembourg	100.00%	100.00%
Peugeot Motocycles S.A.S.	France	100.00%	100.00%
Peugeot Motocycles Deutschland GmbH.....	Germany	100.00%	100.00%
Peugeot Motocycles Italia S.p.A.	Italy	100.00%	100.00%
PMTC Engineering SPA.....	Italy	100.00%	100.00%
Mahindra Tractor Assembly, Inc.....	U.S.A.	100.00%	100.00%
Mahindra Agri Solutions Limited	India	98.79%	98.60%
Mahindra Susten Bangladesh Private Limited.....	Bangladesh	100.00%	100.00%
Mahindra Automotive Mauritius Limited.....	Mauritius	100.00%	100.00%
Automobili Pininfarina GmbH	Germany	100.00%	100.00%
Automobili Pininfarina Americas Inc	U.S.A.	100.00%	100.00%
MSPE Urja S.R.L.	Italy	100.00%	100.00%
Mahindra EPC Irrigation Limited.....	India	54.40%	54.51%
Mahindra HZPC Private Limited	India	59.22%	59.11%
Mahindra Greenyard Private Limited.....	India	98.79%	59.16%
OFD Holding B.V.	Netherlands	82.09%	81.93%
Origin Direct Asia Ltd.....	Hong Kong	49.25%	49.16%
Origin Fruit Direct B.V.	Netherlands	82.09%	81.93%
Origin Fruit Services South America SpA	Chile	82.09%	81.93%
Origin Direct Asia (Shanghai) Trading Co. Ltd.	China	82.09%	81.93%
Bristlecone Limited	Cayman Islands	74.86%	75.14%
Bristlecone Consulting Limited	Canada	74.86%	75.14%
Bristlecone (Malaysia) Sdn. Bhd.....	Malaysia	74.86%	75.14%
Bristlecone International AG	Switzerland	74.86%	75.14%
Bristlecone UK Limited.....	U.K.	74.86%	75.14%
Bristlecone Inc.	U.S.A.	74.86%	75.14%
Bristlecone Middle East DMCC	U.A.E.	74.86%	75.14%
Bristlecone India Limited.....	India	74.86%	75.14%
Bristlecone GmbH	Germany	74.86%	75.14%
Bristlecone (Singapore) Pte. Limited	Singapore	74.86%	75.14%
Mahindra Intertrade Limited.....	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 * ##	
		As at 31 st March,	
		2021	2020
Mahindra Steel Service Centre Limited.....	India	61.00%	61.00%
Mahindra Electrical Steel Private Limited.....	India	100.00%	100.00%
Mahindra Auto Steel Private Limited	India	51.00%	51.00%
Mahindra MiddleEast Electrical Steel Service Centre (FZC).....	U.A.E.	90.00%	90.00%
Mahindra MSTC Recycling Private Limited.....	India	50.00%	50.00%
PT Mahindra Accelo Steel Indonesia	Indonesia	99.98%	99.96%
Mahindra Holdings Limited	India	100.00%	100.00%
Mahindra Overseas Investment Company (Mauritius) Limited.....	Mauritius	100.00%	100.00%
Mahindra Racing UK Limited.....	U.K.	100.00%	100.00%
Mahindra Susten Private Limited	India	100.00%	100.00%
Mahindra Renewables Private Limited	India	100.00%	100.00%
Mahindra Teqo Private Limited	India	100.00%	100.00%
Divine Solren Private Limited (upto 15 th April, 2020).....	India	—	100.00%
Neo Solren Private Limited	India	100.00%	100.00%
Astra Solren Private Limited	India	100.00%	100.00%
Mega Suryaurja Private Limited	India	100.00%	100.00%
Mahindra Engineering and Chemical Products Limited.....	India	100.00%	100.00%
Retail Initiative Holdings Limited.....	India	100.00%	100.00%
Mahindra Retail Limited	India	100.00%	100.00%
Mahindra Defence Systems Limited.....	India	100.00%	100.00%
Mahindra First Choice Wheels Limited	India	50.60%	51.00%
Fifth Gear Ventures Limited.....	India	50.60%	51.00%
Mahindra First Choice Services Limited (upto 25 th February, 2021)	India	—	100.00%
Mahindra Namaste Limited	India	88.35%	88.35%
Mahindra Integrated Business Solutions Private Limited.....	India	100.00%	100.00%
Mahindra Publications Limited (formerly known as Mahindra 'Electoral Trust' Company) #	India	100.00%	100.00%
Mahindra eMarket Limited.....	India	83.47%	83.47%
Mahindra Construction Company Limited.....	India	65.37%	65.38%
Officemartindia.com Limited	India	50.00%	50.00%
Mahindra & Mahindra Contech Limited @.....	India	46.66%	46.66%
Mumbai Mantra Media Limited	India	100.00%	100.00%
Mahindra Airways Limited.....	India	100.00%	100.00%
Mahindra Marine Private Limited	India	81.58%	81.58%
Mahindra & Mahindra Financial Services Limited ESOP Trust	India	52.31%	51.39%
Mahindra Holidays & Resorts India Limited ESOP Trust.....	India	67.63%	67.63%
Mahindra & Mahindra Benefit Trust.....	India	100.00%	100.00%
Mahindra & Mahindra ESOP Trust	India	100.00%	100.00%
Sunrise Initiatives Trust.....	India	100.00%	100.00%
Mahindra First Choice Wheels Limited ESOP Trust.....	India	50.60%	51.00%
Mahindra Consulting Engineers Limited ESOP Trust	India	88.35%	88.35%
Mahindra Waste To Energy Solutions Limited	India	87.39%	84.57%

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 * ##	
		As at 31 st March,	
		2021	2020
Mahindra Telecom Energy Management Services Limited	India	100.00%	100.00%
Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V.....	Netherlands	98.79%	98.60%
Mahindra Automotive North America Inc.....	U.S.A.	100.00%	100.00%
Mahindra Vehicle Sales and Service Inc.....	U.S.A.	100.00%	100.00%
Mahindra North American Technical Center, Inc.	U.S.A.	100.00%	100.00%
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	58.34%	58.45%
Lords Freight (India) Private Limited.....	India	57.79%	48.47%
2 x 2 Logistics Private Limited	India	32.09%	32.15%
Mahindra Emirates Vehicle Armouring FZ-LLC.....	U.A.E.	88.00%	88.00%
Mahindra Armored Vehicles Jordan, LLC.....	Jordan	88.00%	88.00%
New Democratic Electoral Trust @	India	33.38%	27.24%
Meru Travel Solutions Private Limited.....	India	87.34%	85.88%
Meru Mobility Tech Private Limited.....	India	87.34%	85.88%
V-Link Fleet Solutions Private Limited	India	87.34%	85.88%
V-Link Automotive Services Private Limited.....	India	87.34%	85.88%
Mahindra Bangladesh Private Limited.....	Bangladesh	100.00%	100.00%
MSPL International DMCC.....	Dubai	100.00%	100.00%
Martial Solren Private Limited (w.e.f. 27 th August, 2020)	India	100.00%	—

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

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

\$ In addition to JPY750 million Common Stock (which represents 33.33% of the Common stock), the Company owns the entire JPY2250 million "Class A" shares (shares with no voting rights); "Class A" shares have rights over dividend and liquidation on an equal basis with Common Stock.

^ During the year ended March 2021, the Controlling status was changed from subsidiary to joint venture.

Status of the Company changed from Section 8 Company to Limited Company w.e.f. 9 September, 2020.

& Mahindra Trucks and Buses Limited and Mahindra Automobile Distributor Private Limited merged with Mahindra Two Wheelers Limited w.e.f. 31st July, 2020

There are no companies where voting power is different from ownership interests.

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	
			2021	2020	2021	2020	2021	2020
1	Mahindra & Mahindra Financial Services Limited.....	India	47.69%	48.61%	161.25	425.75	7,015.92	5,523.97
2	Individually Immaterial Non Controlling Interest				193.26	(103.52)	2,054.39	1,837.12
	Total				354.51	322.23	9,070.31	7,361.09

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

(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	
	2021	2020
Current Assets	34,394.43	30,052.11
Non Current Assets	42,642.04	44,019.11
Current Liabilities.....	22,611.92	21,160.32
Non Current Liabilities	39,713.04	41,547.04
Equity Interest Attributable to the owners.....	7,695.59	5,839.89
Non Controlling Interest	7,015.92	5,523.97
Revenue	10,516.79	10,245.14
Expenses.....	10,181.65	9,338.74
Profit/(Loss) for the year	335.14	906.40
Profit/(Loss) attributable to the owners of the company	173.90	480.65
Profit/(Loss) attributable to the Non-Controlling Interest	161.25	425.75
Dividends paid to non controlling interest.....	—	194.15
Opening Cash & Cash Equivalents.....	676.79	501.68
Closing Cash & Cash Equivalents.....	570.58	676.79
Net Cash inflow/(outflow).....	(106.21)	175.11

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,	
		2021	2020
Mahindra World City (Jaipur) Limited #	India	74.00%	74.00%
Mahindra World City Developers Limited #	India	89.00%	89.00%
Mahindra Industrial Park Chennai Limited #	India	60.00%	60.00%
Mahindra Homes Private Limited #.....	India	71.61%	71.61%
Mahindra Inframan Water Utilities Private Limited	India	50.00%	50.00%
Mahindra Sanyo Special Steel Private Limited	India	22.81%	22.81%
Mahindra Aerospace Private Limited #.....	India	91.59%	89.78%
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 Motocycles Co Ltd.	China	50.00%	50.00%
Mahindra-BT Investment Company (Mauritius) Limited #	Mauritius	57.00%	57.00%
SY Auto Capital Co., LTD (upto 28 th December, 2020) #	South Korea	—	51.00%
Mahindra Industrial Park 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	40.60%	40.60%
Zoomcar Inc.....	India	16.83%	16.83%
Transtech Logistics Private Limited.....	India	39.79%	39.79%
Mahindra Top Greenhouses Private Limited #	India	60.00%	60.00%
Smartshift Logistics Solutions Private Limited (formerly known as Resfeber Labs Private Limited).....	India	35.76%	44.29%
Carnot Technologies Private Limited	India	49.51%	23.66%
Sampo Rosenlew Oy #	Finland	79.13%	48.98%
Mahindra Ideal Lanka (Private) Limited	India	35.00%	35.00%
Tropiikin Rantasauna Oy	Finland	50.00%	50.00%
New Delhi Centre for Sight Limited.....	India	30.83%	30.83%
Marvel Solren Private Limited #	India	51.00%	51.00%
Mahindra Summit Agriscience Limited #.....	India	60.00%	60.00%
Aquasail Distribution Company Private Limited	India	17.65%	17.65%
Ideal Finance Limited	Sri Lanka	38.20%	38.20%
Mahindra Manulife Investment Management Private Limited (formerly known as Mahindra Asset Management Company Private Limited) (w.e.f. 29 th April, 2020) ^.....	India	51.00%	—
Mahindra Manulife Trustee Private Limited (formerly known as Mahindra Trustee Company Private Limited) (w.e.f. 29 th April, 2020) ^.....	India	51.00%	—

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

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

^ During the year ended March 2021, the Controlling status was changed from subsidiary 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,	
		2021	2020
Swaraj Engines Limited	India	34.74%	34.76%
Tech Mahindra Limited	India	28.81%	28.89%
Mahindra Finance USA LLC	U.S.A.	49.00%	49.00%
Mahindra CIE Automotive Limited #	India	11.44%	11.44%
CIE Automotive S.A. #	Spain	7.83%	7.44%
PSL Media & Communications Limited	India	40.00%	40.00%
The East India Company Group Limited BVI #	U.K.	18.62%	18.62%
Kiinteistö Oy Seniori-Saimaa	Finland	31.00%	31.00%
Shiga Mitsubishi Agricultural Machinery Sales Co., Ltd.	Japan	22.40%	22.40%
Kagawa Mitsubishi Agricultural Machinery Sales Co., Ltd.	Japan	33.33%	33.33%
Okanetsu Industry Co., Ltd.	Japan	33.77%	33.77%
Kitaiwate Ryono Co., Ltd.	Japan	25.00%	25.00%
Aizu Ryono Co., Ltd.	Japan	21.25%	21.25%
Joban Ryono Co., Ltd.	Japan	20.00%	20.00%
FukuryoKiki Hanbai Co., Ltd.	Japan	20.00%	20.00%
Ibaraki Ryono Co., Ltd.	Japan	21.64%	21.64%
Kotobuki Noki Co, Ltd.	Japan	33.33%	33.33%
Honda Seisakusyo, Inc.	Japan	25.00%	25.00%
Yamaichi Honten Co., Ltd.	Japan	42.85%	42.90%
PF Holdings B.V.	Netherland	40.00%	40.00%
Merakisan Private Limited	India	31.94%	31.94%
Brainbees Solutions Private Limited #	India	13.65%	16.33%
Medwell Ventures Private Limited	India	31.45%	31.45%
HDG-Asia Ltd	Netherland	50.00%	50.00%
Scoot Networks Inc (under liquidation)	U.S.A.	45.71%	45.71%
Resson Aerospace Corporation #	Canada	11.58%	10.60%
Kumsan Dokum Mazelmeri A.S.	Turkey	25.10%	25.10%
Mahindra Knowledge Park Mohali Limited	India	46.15%	46.15%

*The financial statements of the Associates are drawn upto 31st March, 2021 other than for CIE Automotive S.A, Mahindra CIE Automotive Limited & The East India Company Group Limited BVI where it is upto 31st December, 2020.

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

All of the above associates/Joint ventures are accounted for using the equity method in 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	
	2021	2020
Current assets		
Cash and cash equivalents	2,690.40	3,016.70
Other assets	22,564.92	20,155.57
Total current assets	25,255.32	23,172.27
Total Non-current assets	14,422.70	14,181.24
Current liabilities		
Financial liabilities	6,772.30	7,641.80
Other Liabilities	4,735.63	4,514.30
Total current liabilities	11,507.93	12,156.10
Total Non-current liabilities	2,925.60	2,991.00
Non-controlling interest	379.50	393.30
Revenue from Operations	37,855.11	36,867.68
Interest Income	325.40	243.40
Depreciation and amortisation	1,457.70	1,445.80
Interest Cost	174.00	191.90
Income tax expense	1,599.90	1,160.40
Profit/(Loss) for the year	4,353.01	3,897.38
Other Comprehensive Income/(Loss) for the year	423.70	(105.70)
Total Other Comprehensive Income for the year	4,776.71	3,791.68

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	
	2021	2020
Closing Net assets	24,864.99	21,813.07
Group's share in %	28.81%	28.89%
Group share (Rs.)	7,163.60	6,301.80
Goodwill	549.31	549.31
Carrying amount	7,712.91	6,851.11
Market Value	24,959.45	14,236.29

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	16.	Resson Aerospace Corporation
2.	Mahindra CIE Automotive Limited	17.	Merakisan Private Limited
3.	CIE Automotive, S.A.	18.	Shiga Mitsubishi Agricultural Machinery Sales Co., Ltd.
4.	Swaraj Engines Limited	19.	Kagawa Mitsubishi Agricultural Machinery Sales Co., Ltd.
5.	Mahindra Finance USA, LLC	20.	Okanetsu Industry Co., Ltd.
6.	PF Holdings B.V.	21.	Kitaiwate Ryono co., Ltd.
7.	Pininfarina S.p.A.	22.	Aizu Ryono Co, Ltd.
8.	Pininfarina Engineering S.R.L	23.	Joban Ryono Co., Ltd.
9.	Satyam Venture Engineering Services Private Limited	24.	Fukuryo Kiki Hanbai Co, Ltd.
10.	Tech Mahindra (Shanghai) Co. Limited	25.	Ibaraki Ryono Co, Ltd.
11.	Brainbees Solutions Private Limited	26.	Kotobuki Noki Co, Ltd.
12.	HDG-Asia Ltd	27.	Honda Seisakusyo, Inc.
13.	PSL Media & Communications Limited	28.	Yamaichi Honten Co., Ltd.
14.	Kumsan Dokum Mazelmeri A.S.	29.	Mahindra Educational Institutions
15.	Medwell Ventures Private Limited		

(ii) Joint Ventures :

Sr. No.	Name of the entity	Sr. No.	Name of the entity
1.	Classic Legends Private Limited	16.	Mahindra Industrial Park Private Limited
2.	Mahindra Aerospace Private Limited	17.	Mahindra Industrial Park Chennai Limited
3.	Mahindra Sanyo Special Steel Private Limited	18.	Mahindra Telephonics Integrated Systems Limited
4.	Mahindra World City (Jaipur) Limited	19.	Mahindra Happinest Developers Limited
5.	Mahindra World City Developers Limited	20.	Brightsolar Renewable Energy Private Limited
6.	Gippsaero Pty. Limited	21.	Mahindra Inframan Water Utilities Private Limited
7.	Mahindra Aerostructures Private Limited	22.	Mahindra-BT Investment Company (Mauritius) Limited
8.	Mahindra Tsubaki Conveyor Systems Private Limited	23.	Jinan Qingqi Peugeot Motorcycles Co Ltd
9.	Mahindra Ideal Lanka (Private) Limited	24.	SY Auto Capital Co., LTD (upto 28 th December, 2020)
10.	Sampo-Rosenlew Oy	25.	Smartshift Logistics Solutions Private Limited (formerly known as Resfeber Labs Private Limited)
11.	M.I.T.R.A. Agro Equipments Private Limited	26.	Mahindra Summit Agriscience Limited
12.	Mahindra Top Greenhouses Private Limited	27.	Carnot Technologies Private Limited
13.	Mahindra Homes Private Limited	28.	Marvel Solren Private Limited
14.	Zoomcar India Private Limited	29.	Mahindra Manulife Investment Management Private Limited (formerly known as Mahindra Asset Management Company Private Limited) (w.e.f. 29 th April, 2020)
15.	Transtech Logistics Private Limited	30.	Mahindra Manulife Trustee Private Limited (formerly known as Mahindra Trustee Company Private Limited) (w.e.f. 29 th April, 2020)

(iii) Key Management Personnel (KMP) :

Sr. No.	Name of KMP	Designation
1.	Mr. Anand G. Mahindra	Executive Chairman
2.	Dr. Pawan Goenka #	Managing Director and CEO
3.	Dr. Anish Shah \$	Deputy Managing Director and Group CFO
4.	Mr. Rajesh Jejurikar (w.e.f. 1 st April, 2020)	Executive Director (Auto and Farm Sectors)
5.	Mr. Nadir B. Godrej (upto 8 th August, 2020)	Independent Director
6.	Mr. M. M. Murugappan (upto 8 th August, 2020)	Independent Director
7.	Dr. Vishakha N. Desai	Independent Director
8.	Mr. Vikram Singh Mehta	Independent Director
9.	Mr. T. N. Manoharan	Independent Director
10.	Mr. Haigreve Khaitan	Independent Director
11.	Mrs. Shikha Sharma	Independent Director
12.	Mr. C. P. Gurnani (w.e.f. 1 st April, 2020)	Non-Executive Non-Independent Director
13.	Ms. Nisaba Godrej (w.e.f. 8 th August, 2020)	Independent Director
14.	Mr. Muthiah Murugappan (w.e.f. 8 th August, 2020)	Independent Director
15.	Mr. Vijay Kumar Sharma	Nominee Director

upto 1st April, 2021

\$ Effective 2nd April, 2021, Dr. Anish Shah has been appointed as Managing Director and CEO and Mr. Manoj Bhat has been appointed as Group Chief Financial Officer of the Company.

37. Related Party Disclosures (contd.)
(a) Names of related parties where transactions have taken place during the year: (contd.)
(iv) Close member of KMP and entities controlled/jointly controlled by KMP :

Sr. No.	Close member of KMP
1.	Mrs. Anuradha Mahindra
2.	Mrs. Radhika Nath
3.	Mrs. Mamta Goenka
4.	Mr. Suresh Ram Kishore Goenka
5.	Dr. T. N. Gajendran

Sr. No.	Entities controlled/jointly controlled by KMP
1.	The Indian & Eastern Engineer Company Private Limited
2.	Cinestaan Digital Private 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/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
1.	Purchases :	Goods.....	2021	2,301.89	165.85	—	—	—
			2020	2,198.60	168.72	—	—	—
	Property, plant & equipment and Intangible assets.....	2021	39.43	0.07	—	*	—	—
		2020	144.47	0.05	—	—	—	—
	Services.....	2021	316.92	12.45	—	—	—	—
		2020	451.36	8.45	—	—	—	—
2.	Sales :	Goods.....	2021	166.23	473.25	—	*	—
			2020	152.84	386.66	—	0.10	—
	Property, plant and equipment.....	2021	0.15	—	—	—	—	—
		2020	0.05	—	—	—	—	—
	Services.....	2021	19.44	53.79	—	0.46	—	0.01
		2020	63.29	49.16	—	0.02	—	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/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
3.	Investments :							
	Purchases/subscribed/ conversion.....	2021	68.29	307.44	—	—	—	—
		2020	13.18	235.74	0.16	—	—	—
	Proceeds from buyback of shares.....	2021	—	—	—	—	—	—
		2020	446.85	—	—	—	—	—
4.	Management contracts including deputation of personnel :							
	From parties	2021	—	—	—	—	—	—
		2020	0.04	—	—	—	—	—
	To parties.....	2021	6.09	1.72	—	—	—	—
		2020	5.27	3.63	—	—	—	—
5.	Managerial remuneration	2021	—	—	33.25	—	—	—
		2020	—	—	18.75	—	—	—
6.	Stock options.....	2021	—	—	2.05	—	—	—
		2020	—	—	—	—	—	—
7.	Commission and other benefits to non-executive/independent directors (including nominee directors) **	2021	—	—	3.73	—	—	—
		2020	—	—	3.52	—	—	—
8.	Finance :							
	Inter corporate deposits/loans given	2021	—	65.99	5.65	—	—	—
		2020	—	83.51	—	—	—	—
	Inter Corporate Deposits/loans refunded by parties	2021	—	59.07	8.25	—	—	1.00
		2020	—	17.00	—	—	—	—
	Debenture/Preference shares issued by related parties	2021	1.00	—	—	—	—	—
		2020	—	26.38	—	—	—	—
	Debenture issued to related parties	2021	—	47.00	—	—	—	—
		2020	150.00	—	—	—	—	—
	Inter Corporate deposits taken	2021	510.70	—	—	—	—	—
		2020	21.00	17.55	—	—	—	—

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/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
	Inter corporate deposits refunded	2021	20.80	—	—	—	—	—
		2020	510.00	—	—	—	—	—
	Interest income	2021	0.03	14.17	0.38	—	—	—
		2020	0.11	4.82	0.49	—	—	—
	Interest expense	2021	40.62	5.57	0.01	—	—	—
		2020	26.18	0.64	—	—	—	—
	Dividend received	2021	571.89	—	—	—	—	—
		2020	676.86	18.90	—	—	—	—
	Dividend distributed	2021	—	—	0.73	0.19	33.26	0.30
		2020	—	—	2.59	0.69	120.29	1.09
	Share application money given	2021	—	—	—	—	—	—
		2020	—	15.60	—	—	—	—
9.	Guarantees and collaterals given (transactions during the year)	2021	—	42.88	—	—	—	—
		2020	—	41.41	—	—	—	—
10.	Guarantees and collaterals taken (transactions during the year)	2021	0.28	—	—	—	—	—
		2020	0.26	—	—	—	—	—
11.	Other Transactions :							
	Other income	2021	9.98	0.52	—	—	—	—
		2020	13.70	4.69	—	0.42	—	—
	Other expenses	2021	0.97	475.82	—	0.23	—	—
		2020	5.85	152.05	—	0.19	—	—
	Reimbursements received from parties	2021	7.90	19.75	—	0.02	—	38.13
		2020	8.27	16.10	—	0.01	—	76.96
	Reimbursements made to parties	2021	0.21	4.01	—	—	—	—
		2020	0.12	5.47	—	—	—	—
12.	Outstandings :							
	Trade and other payable	2021	499.92	16.39	4.49	—	—	—
		2020	286.79	82.85	4.19	—	—	—
	Trade and other receivables ..	2021	137.05	225.15	8.07	1.90	—	54.13
		2020	123.37	244.65	10.73	2.01	—	41.88

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/KMP Exercising Significant Influence/ close member of KMP	Close members of KMP and Entities controlled/ jointly controlled by KMP	Entity belonging to Promoter/ Promoter Group holding 10% or more in the company	Welfare Funds
	Debenture/preference shares issued by parties	2021	1.00	98.14	—	—	—	—
		2020	—	98.14	—	—	—	—
	Debenture issued to parties...	2021	150.00	54.71	—	—	—	—
		2020	150.00	7.71	—	—	—	—
	Inter corporate deposits given	2021	—	73.43	—	—	—	—
		2020	—	66.51	—	—	—	—
	Inter corporate deposits taken	2021	510.90	17.55	—	—	—	—
		2020	21.00	17.55	—	—	—	—
13.	Security Deposit paid.....	2021	0.02	0.89	—	—	—	—
		2020	0.02	1.07	—	—	—	—
14.	Advances given	2021	—	—	—	—	—	—
		2020	0.77	—	—	—	—	—
15.	Guarantees given outstanding...	2021	529.68	42.88	—	—	—	—
		2020	511.54	41.41	—	—	—	—

* denotes amounts less than Rs.50,000.

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

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 companies performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit as the performance indicator for all of the operating segments.

38. Segment Information (contd.)

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	25,827.17	24,600.29	11,972.05	177.45	1,746.25	9,954.57	74,277.78	—	74,277.78
	28,672.41	20,861.98	11,803.40	627.89	2,373.37	11,042.88	75,381.93	—	75,381.93
Inter Segment Revenue	162.54	192.19	18.38	6.22	0.49	1,571.69	1,951.51	(1,951.51)	—
	151.09	251.21	24.22	11.24	0.38	1,778.07	2,216.21	(2,216.21)	—
Total Revenue	25,989.71	24,792.48	11,990.43	183.67	1,746.74	11,526.26	76,229.29	(1,951.51)	74,277.78
	28,823.50	21,113.19	11,827.62	639.13	2,373.75	12,820.95	77,598.14	(2,216.21)	75,381.93
Result									
Segment result before exceptional items	735.69	4,157.77	538.32	(98.93)	(25.70)	277.90	5,585.05	5.02	5,590.07
	1,309.81	2,276.63	1,449.75	(49.96)	128.02	43.70	5,157.95	2.74	5,160.69
Add/(less): Exceptional items allocated to Segments	(1,053.36)	(241.78)	—	—	—	(151.25)	(1,446.39)	—	(1,446.39)
	—	(341.67)	—	—	—	(741.46)	(1,083.13)	—	(1,083.13)
Segment result after exceptional items	(317.67)	3,915.99	538.32	(98.93)	(25.70)	126.65	4,138.66	5.02	4,143.68
	1,309.81	1,934.96	1,449.75	(49.96)	128.02	(697.76)	4,074.82	2.74	4,077.56
Share of profit/(loss) of equity accounted investees (net)									1,276.66
									1,027.28
Reconciliation to Profit/(Loss) after tax									
1. Unallocable corporate expenses, net of income									20.17
									(101.13)
2. Interest expenses not allocable to segments									(836.77)
									(671.83)
3. Interest income not allocable to segments									455.86
									444.70
4. Exceptional Items unallocable to Segments									288.13
									(88.15)
Profit before tax from continuing operations									5,347.73
									4,688.43
Tax expense									1,645.81
									1,975.61
Profit after tax from continuing operations									3,701.92
									2,712.82
Profit/(loss) after tax from discontinued operations									(2,189.53)
									(3,033.82)
Profit/(loss) after tax from continuing and discontinued operations									1,512.39
									(321.00)
Out of total external revenue above:-								2021	2020
– From contract with customers (as defined under Ind AS 115)								61,507.75	63,282.64
– From financial services								11,757.30	11,525.88
– Others								1,012.73	573.41
Total								74,277.78	75,381.93

38. Segment Information (contd.)

Rupees crores

	Automotive *	Farm Equipment	Financial Services	Real Estate	Hospitality	Others	Total	Eliminations	Consolidated Total
Other information:									
Depreciation and Amortisation expense	2,028.18	461.61	150.52	7.07	264.31	425.34	3,337.03	—	3,337.03
	2,006.64	489.80	146.87	4.19	247.12	409.93	3,304.55	—	3,304.55
Impairment expense	1,053.36	241.78	—	—	—	151.25	1,446.39	—	1,446.39
	—	341.67	—	—	—	741.46	1,083.13	—	1,083.13
Additions to non-current assets*	4,037.12	490.57	45.24	3.72	132.60	1,272.47	5,981.72	—	5,981.72
	5,416.66	647.88	118.60	3.66	133.09	542.46	6,862.35	—	6,862.35

* includes addition to non current assets related to discontinued operations of **Rs. 613.14 crores** (2020: Rs. 819.32 crores)

- 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.

Segment assets and liabilities

Rupees crores

	Automotive	Farm Equipment	Financial Services	Real Estate	Hospitality	Others	Total	Eliminations	Consolidated Total
Segment Assets	23,574.21	10,956.27	75,918.30	1,913.00	6,307.67	13,540.91	1,32,210.36	—	1,32,210.36
	21,903.26	11,974.12	76,814.81	1,798.86	6,667.00	11,922.53	1,31,080.58	—	1,31,080.58
Segment Liabilities	10,916.85	7,097.67	68,740.40	597.46	7,299.50	4,141.17	98,793.05	—	98,793.05
	8,147.12	6,139.32	68,660.35	486.08	7,703.46	3,724.29	94,860.62	—	94,860.62
Reconciliation of segment assets to total assets:									
Segment Assets									1,32,210.36
Unallocable Assets									1,31,080.58
Discontinued operations									34,252.13
									24,817.65
									—
									11,108.43
Total Assets									1,66,462.49
									1,67,006.66

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

Reconciliation of segment liabilities to total liabilities:									
Segment Liabilities									98,793.05
Unallocable Liabilities									94,860.62
Discontinued operations									17,017.21
									14,719.34
									—
									9,765.65
Total Liabilities									1,15,810.26
									1,19,345.61

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.

38. Segment Information (contd.)

Geographical information

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

Particulars	For the year Ended 31 st March,						As at 31 st March,	
	2021			2020			2021	2020
	Revenue from contract with customers	Other revenue	Total external revenue	Revenue from contract with customers	Other revenue	Total external revenue	Non-Current assets	Non-Current assets
India	49,115.01	12,621.43	61,736.44	50,197.03	12,023.39	62,220.42	30,421.97	28,557.85
Overseas	12,392.74	148.60	12,541.34	13,085.61	75.90	13,161.51	3,050.23	12,508.93
	61,507.75	12,770.03	74,277.78	63,282.64	12,099.29	75,381.93	33,472.20	41,066.78

The revenue information above is based on the location of the customer. The non-current assets in the above table represent Property, plant and equipment, Capital work-in-progress, Goodwill, Other intangible assets, Intangibles under development, Income tax assets (Net) and Other loan assets (Non-financial).

Information about major customers

During the year ended 31st March, 2021 and 2020 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 recommendations of the Compensation Committee.

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

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

- i) 5 equal instalments on the expiry of 12 months, 24 months, 36 months, 48 months and 60 months 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 equal instalments on the expiry of 12 months, 24 months and 36 months or
- iv) 2 equal instalments on the expiry of 12 months and 24 months.

The exercise period of above options range from 1 year to 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, 2020.....	66,34,672	4.46
Options granted during the year	11,08,032	5.00
Options forfeited/lapsed during the year.....	2,34,532	11.06
Options exercised during the year	17,28,702	3.36
Options outstanding on 31 st March, 2021	57,79,470	4.62
Options vested but not exercised on 31 st March, 2021	22,51,577	4.33

39. Employee Stock Option Plan (contd.)

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

Date of exercise	Weighted average share price (Rs.)
24 th April, 2020 to 13 th March, 2021	643.89

Information in respect of options outstanding as at 31st March, 2021

Range of exercise price	Number of options	Weighted average remaining life
Rs. 2.50.....	15,20,216	3.63 years
Rs. 5.00.....	42,54,254	5.42 years
Rs. 331.00.....	5,000	0.48 years

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

Grant Date	No. of years vesting	Fair value per options
9 th November, 2020.....	5 years	Rs. 598.42
9 th November, 2020.....	3 years	Rs. 601.27
9 th November, 2020.....	2 years	Rs. 602.82
25 th March, 2021.....	3 years	Rs. 799.05

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

	Grant dated			
	9 th November, 2020 (5 years vesting)	9 th November, 2020 (3 years vesting)	9 th November, 2020 (2 years vesting)	25 th March, 2021 (3 years vesting)
Risk free interest rate (%).....	5.26%	4.78%	4.47%	5.26%
Expected life (in years).....	4.90 years	3.50 years	2.75 years	3.50 years
Expected volatility (%).....	32.02%	34.54%	37.36%	36.25%
Expected dividend yield (%).....	0.38%	0.38%	0.38%	0.29%
Exercise Price (Rs.).....	5.00	5.00	5.00	5.00
Stock Price (Rs.).....	613.60	613.60	613.60	811.40

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. 2,854.67 crores** before tax (2020: Rs. 2,405.43 crores before tax).
 - (ii) Other matters (excluding claims where amounts are not ascertainable) : **Rs. 652.31 crores** before tax (2020: Rs. 355.65 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. 1,991.75 crores** (2020: Rs. 1,922.76 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. 444.19 crores** (2020: Rs. 370.50 crores).
- (c) In respect of (a) & (b) above, it is not practicable for the Group to estimate the closure of these issues and the consequential timings of cash flows, if any.

(B) Commitments :

The estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March, 2021 is **Rs. 2,556.08 crores** (2020: Rs. 3,414.24 crores) and other commitment as at 31st March, 2021 is **Rs. 435.97 crores** (2020: Rs. 661.73 crores).

41. Research and Development expenditure

In recognised Research and Development units :

Debited to the consolidated statement of profit and loss, including certain expenditure based on allocations made by the Group, aggregate **Rs. 868.40 crores** (2020: Rs. 836.37 crores).

42. Discontinued operations

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

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

a) Results of discontinued operations

Rupees crores

Particulars	2021	2020
Total Income	14,748.98	20,120.41
Total Expenses including exceptional items	18,006.72	23,169.53
Profit / (loss) before tax from discontinued operation before share of associates and joint ventures	(3,257.74)	(3,049.12)
Share of associates and joint ventures	5.29	15.30
Profit / (loss) before tax from discontinued operation	(3,252.45)	(3,033.82)
Income tax on discontinued operation	—	—
Profit / (loss) after tax from discontinued operation before gain on deconsolidation	(3,252.45)	(3,033.82)
Gain on deconsolidation	1,062.92	—
Profit / (loss) after tax from discontinued operation after gain on deconsolidation	(2,189.53)	(3,033.82)
Non-controlling interest	(654.61)	(769.07)
Profit / (loss) after tax from discontinued operation after non-controlling interests	(1,534.92)	(2,264.75)
Earnings per equity share (for discontinued operations)		
Basic EPS	(13.84)	(20.51)
Diluted EPS	(13.77)	(20.42)

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

b) Cash flows from discontinued operations

Rupees crores

Particulars	2021	2020
Cash flows generated/(used in) from operating activities	1,245.30	(2,157.65)
Cash flows generated/(used in) from investing activities	652.05	(754.01)
Cash flows generated/(used in) from financing activities	(1,037.07)	1,053.29
Net Cash flows generated/(used)	860.28	(1,858.37)

42. Discontinued operations (contd.)

c) Computation of gain on deconsolidation of Ssangyong Motor Company

Rupees crores

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

d) Effect of deconsolidation on balance sheet of the Group

Rupees crores

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

e) Impact of deconsolidation on cash and cash equivalents

Rupees crores

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

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
PARENT								
Mahindra and Mahindra Limited	82.97%	34,501.92	14.82%	268.66	-77.04%	(61.91)	10.92%	206.75
SUBSIDIARIES								
Indian								
Mahindra Heavy Engines Limited	1.67%	692.56	14.20%	257.32	0.78%	0.63	13.63%	257.95
Mahindra Electric Mobility Limited	0.61%	255.08	-5.91%	(107.13)	0.71%	0.57	-5.63%	(106.56)
Mahindra Vehicle Manufacturers Limited	12.09%	5,025.28	36.13%	654.84	3.96%	3.18	34.76%	658.02
NBS International Limited	0.01%	2.83	-0.07%	(1.25)	0.22%	0.18	-0.06%	(1.07)
Gromax Agri Equipment Limited	0.06%	23.03	-0.04%	(0.76)	-0.04%	(0.03)	-0.04%	(0.79)
Mahindra Agri Solutions Limited	0.16%	65.36	-3.13%	(56.73)	1.10%	0.88	-2.95%	(55.85)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Greenyard Private Limited	0.00%	(0.63)	0.11%	1.96	0.22%	0.18	0.11%	2.14
Mahindra HZPC Private Limited	0.00%	1.80	-0.08%	(1.39)	0.00%	—	-0.07%	(1.39)
Mahindra EPC Irrigation Limited (Consolidated)	0.45%	186.06	1.05%	18.96	-0.22%	(0.18)	0.99%	18.78
Kota Farm Services Limited	0.00%	(0.31)	0.00%	—	0.00%	—	0.00%	—
Bristlecone India Limited	0.43%	180.43	2.17%	39.25	-1.05%	(0.84)	2.03%	38.41
Mahindra & Mahindra Financial Services Limited	35.38%	14,711.51	18.49%	335.15	-93.31%	(74.98)	13.74%	260.17
Mahindra Insurance Brokers Limited	1.09%	455.04	1.77%	32.02	0.41%	0.33	1.71%	32.35
Mahindra Rural Housing Finance Limited	3.37%	1,402.74	8.33%	151.01	-0.30%	(0.24)	7.97%	150.77
MMFSL ESOP Trust	0.09%	39.08	0.06%	1.03	0.00%	—	0.05%	1.03
Mahindra Intertrade Limited	1.54%	641.34	3.30%	59.89	-0.10%	(0.08)	3.16%	59.81
Mahindra Steel Service Centre Limited	0.23%	96.45	-0.36%	(6.61)	0.09%	0.07	-0.35%	(6.54)
Mahindra Electrical Steel Limited	-0.02%	(7.20)	-0.14%	(2.53)	0.00%	—	-0.13%	(2.53)
Mahindra Auto Steel Private Limited	0.23%	96.67	0.07%	1.20	0.01%	0.01	0.06%	1.21
Mahindra Consulting Engineers Limited.	0.05%	18.98	0.07%	1.29	0.07%	0.06	0.07%	1.35
Mahindra Lifespace Developers Limited	3.48%	1,445.45	-2.88%	(52.25)	-0.19%	(0.15)	-2.77%	(52.40)
Mahindra Infrastructure Developers Limited	0.05%	19.96	1.50%	27.15	0.00%	—	1.43%	27.15
Mahindra World City (Maharashtra) Limited	-0.02%	(9.91)	-0.05%	(0.90)	0.00%	—	-0.05%	(0.90)
Knowledge Township Limited	0.13%	55.14	0.00%	(0.04)	0.00%	—	0.00%	(0.04)
Mahindra Bloomdale Developers Limited	0.03%	14.41	-0.34%	(6.17)	0.04%	0.03	-0.32%	(6.14)
Industrial Township (Maharashtra) Ltd	0.01%	2.69	0.00%	—	0.00%	—	0.00%	—
Anthurium Developers Limited	0.00%	0.30	0.00%	—	0.00%	—	0.00%	—

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Integrated Township Limited	0.16%	66.01	-0.12%	(2.16)	0.12%	0.10	-0.11%	(2.06)
Mahindra Residential Developers Limited	0.23%	94.85	0.19%	3.45	0.00%	—	0.18%	3.45
Mahindra Water Utilities Limited	0.05%	22.65	0.44%	8.06	0.05%	0.04	0.43%	8.10
Rathna Bhoomi Enterprises Private Limited	0.00%	(0.26)	-0.01%	(0.22)	0.00%	—	-0.01%	(0.22)
Deepmangal Developers Private Limited	0.00%	(0.47)	-0.01%	(0.11)	0.00%	—	-0.01%	(0.11)
Moonshine Construction Private Limited	0.00%	(0.32)	0.00%	—	0.00%	—	0.00%	—
Mahindra Holidays & Resorts India Limited.	-1.05%	(434.55)	6.94%	125.76	-0.19%	(0.15)	6.64%	125.61
Mahindra Hotels and Residences India Limited	0.00%	(0.16)	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Gables Promoters Private Limited	0.14%	57.25	-0.08%	(1.42)	0.00%	—	-0.08%	(1.42)
MHRIL ESOP Trust	0.02%	8.27	0.00%	—	0.00%	—	0.00%	—
Mahindra Holdings Limited	5.23%	2,176.28	-5.95%	(107.82)	18.13%	14.57	-4.93%	(93.25)
Mahindra Namaste Limited	0.00%	1.10	0.01%	0.15	0.00%	—	0.01%	0.15
Mahindra Integrated Business Solutions Private Limited	0.35%	145.62	0.19%	3.45	0.25%	0.20	0.19%	3.65
Mahindra Susten Private Limited	2.40%	998.28	0.34%	6.14	3.73%	3.00	0.48%	9.14
Mahindra Teqo Private Limited	0.02%	8.60	0.38%	6.82	0.00%	—	0.36%	6.82
Mahindra Renewables Private Limited	0.93%	384.71	2.06%	37.34	0.00%	—	1.97%	37.34
Mega Suryaurja Private Limited	0.00%	0.01	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Neo Solren Private Limited	0.18%	74.70	0.16%	2.86	0.00%	—	0.15%	2.86
Astra Solren Private Limited	0.18%	75.21	0.26%	4.77	0.00%	—	0.25%	4.77
Mahindra Engineering and Chemical Products Limited	2.16%	897.83	0.07%	1.24	0.00%	—	0.07%	1.24
Retail Initiative Holdings Limited	-0.33%	(137.25)	0.00%	(0.04)	0.00%	—	0.00%	(0.04)
Mahindra Retail Limited	1.06%	439.00	3.31%	60.03	0.00%	—	3.17%	60.03

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Two Wheelers Limited	0.35%	146.95	0.74%	13.34	0.00%	—	0.70%	13.34
Mahindra Defence Systems Limited	0.81%	336.84	2.76%	50.03	0.11%	0.09	2.65%	50.12
Mahindra First Choice Wheels Ltd (Consolidated)	0.26%	107.89	-0.39%	(7.06)	1.41%	1.13	-0.31%	(5.93)
Mahindra First Choice Services Limited (upto 25 th February, 2021)	0.00%	—	-0.83%	(15.12)	0.61%	0.49	-0.77%	(14.63)
Auto Digitech Private Limited (upto 25 th February, 2021)	0.00%	—	-0.07%	(1.20)	-0.02%	(0.02)	-0.06%	(1.22)
Mahindra Publications Limited (formerly known as Mahindra 'Electoral Trust' Company)	0.00%	0.01	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Mahindra eMarket Limited	0.01%	2.86	-0.20%	(3.64)	0.00%	—	-0.19%	(3.64)
M&M Benefit Trust	2.86%	1,189.47	1.01%	18.36	0.00%	—	0.97%	18.36
M&M ESOP Trust	1.36%	564.72	0.15%	2.79	0.00%	—	0.15%	2.79
Sunrise Initiatives Trust (Consolidated)	0.07%	27.25	-0.14%	(2.46)	-0.01%	(0.01)	-0.13%	(2.47)
Mahindra Construction Company Limited	-0.05%	(22.48)	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Officemartindia.com Limited	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Mahindra & Mahindra Contech Limited	0.04%	15.64	0.06%	1.15	-0.01%	(0.01)	0.06%	1.14
Trringo.com Limited	0.01%	2.42	-0.01%	(0.14)	0.00%	—	-0.01%	(0.14)
Mahindra Airways Limited	0.00%	0.53	-0.12%	(2.17)	0.00%	—	-0.11%	(2.17)
Mahindra First Choice Wheels ESOP trust	0.00%	(0.01)	0.00%	—	0.00%	—	0.00%	—
Mahindra Consulting Engineers Limited-ESOP Trust	0.01%	3.28	0.00%	—	0.00%	—	0.00%	—
Mahindra MSTC Recycling Private Limited	0.07%	28.69	-0.09%	(1.72)	0.02%	0.02	-0.09%	(1.70)
Mahindra Logistics Limited (Consolidated)	1.51%	626.29	1.39%	25.27	0.05%	0.04	1.34%	25.31
Mahindra Waste to Energy Solutions Limited	0.05%	22.37	-0.14%	(2.53)	0.05%	0.04	-0.13%	(2.49)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Telecom Energy Management Services Limited	0.00%	0.02	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
MRHFL Employee Welfare trust (ESOP)	0.00%	0.17	-0.01%	(0.12)	0.00%	—	-0.01%	(0.12)
Mahindra Finance CSR foundation	0.02%	8.48	0.47%	8.49	0.00%	—	0.45%	8.49
Martial Solren Private Limited (w.e.f. 27 th August, 2020)	0.00%	(0.01)	0.00%	(0.02)	0.00%	—	0.00%	(0.02)
Meru Travel Solutions Private Limited (Consolidated)	0.29%	120.30	-1.90%	(34.47)	0.06%	0.05	-1.82%	(34.42)
Foreign								
Mahindra Automotive Australia Pty. Limited [^]	0.00%	2.03	0.09%	1.66	0.17%	0.14	0.10%	1.80
Mahindra Europe S.r.l. [€]	0.03%	12.54	0.06%	1.12	0.49%	0.39	0.08%	1.51
Mahindra & Mahindra South Africa (Proprietary) Limited ^Z	0.12%	48.53	0.60%	10.92	7.65%	6.15	0.90%	17.07
Mahindra Tractor Assembly, Inc. ^{\$}	-0.01%	(5.71)	-3.11%	(56.38)	2.58%	2.07	-2.87%	(54.31)
Mahindra USA Inc. ^{\$}	-0.28%	(115.89)	-11.00%	(199.39)	21.37%	17.17	-9.63%	(182.22)
Bristlecone Limited ^{\$}	0.04%	18.51	0.24%	4.39	3.60%	2.89	0.38%	7.28
Bristlecone Inc. ^{\$}	0.06%	24.58	0.12%	2.16	-1.94%	(1.56)	0.03%	0.60
Bristlecone Consulting Limited [@]	0.01%	3.23	-0.04%	(0.80)	0.40%	0.32	-0.03%	(0.48)
Bristlecone International AG ^{<}	0.05%	19.99	0.25%	4.50	-0.31%	(0.25)	0.22%	4.25
Bristlecone UK Limited [£]	0.01%	5.50	0.01%	0.24	0.52%	0.42	0.03%	0.66
Bristlecone (Malaysia) Sdn. Bhd. ^{**}	0.01%	3.04	0.00%	(0.06)	0.04%	0.03	0.00%	(0.03)
Bristlecone Singapore Pte. Limited [≤]	0.01%	5.47	0.11%	1.97	0.14%	0.11	0.11%	2.08
Bristlecone GmbH [€]	0.10%	42.12	0.01%	0.22	1.82%	1.46	0.09%	1.68
Mahindra Middleeast Electrical Steel Service Centre (FZC) [•]	0.05%	22.06	-0.19%	(3.50)	-0.77%	(0.62)	-0.22%	(4.12)
Heritage Bird (M) Sdn Bhd ^{**}	0.00%	0.18	0.02%	0.38	0.00%	—	0.02%	0.38
MH Boutique Hospitality Limited [#]	-0.01%	(3.87)	-0.01%	(0.24)	-0.22%	(0.18)	-0.02%	(0.42)
Infinity Hospitality Group Company Limited [#]	0.01%	6.07	-0.12%	(2.17)	0.21%	0.17	-0.11%	(2.00)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)
Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
MHR Holdings (Mauritius) Limited €	-0.16%	(68.05)	-0.42%	(7.55)	-10.14%	(8.15)	-0.83%	(15.70)
Covington S.à r.l €	0.14%	57.30	-0.58%	(10.46)	-16.50%	(13.26)	-1.25%	(23.72)
Arabian Dreams Hotel Apartments LLC •	0.01%	4.57	-0.02%	(0.38)	-0.15%	(0.12)	-0.03%	(0.50)
Holiday Club Resort Oy (Consolidated) €	0.67%	279.30	-6.02%	(109.03)	16.61%	13.35	-5.05%	(95.68)
HCR Management Oy €	0.04%	17.62	0.00%	(0.02)	0.06%	0.05	0.00%	0.03
Mahindra Overseas Investment Company (Mauritius) Limited. \$	-1.20%	(498.28)	-83.81%	(1,519.12)	188.63%	151.58	-72.25%	(1,367.54)
Mahindra Emirates Vehicle Armouring FZ-LLC (Consolidated) •	0.06%	25.53	0.07%	1.23	-0.78%	(0.63)	0.03%	0.60
Mahindra Racing UK Limited £	-0.03%	(13.54)	-0.39%	(7.13)	-0.96%	(0.77)	-0.42%	(7.90)
Mahindra Two Wheelers Europe Holdings S.a r.l €	1.61%	670.17	-0.03%	(0.61)	-9.62%	(7.73)	-0.44%	(8.34)
Peugeot Motorcycles S.A.S. (Consolidated) €	0.12%	51.80	-2.42%	(43.92)	6.50%	5.22	-2.04%	(38.70)
Mitsubishi Mahindra Agricultural Machinery Co. Ltd (Consolidated) ¥	0.49%	204.15	-0.54%	(9.83)	15.65%	12.58	0.15%	2.75
Mahindra West Africa Ltd ◊	0.00%	0.19	-0.07%	(1.26)	-0.06%	(0.05)	-0.07%	(1.31)
Mahindra Mexico S. de. R. L ©	-0.03%	(11.22)	-0.44%	(7.99)	-4.80%	(3.86)	-0.63%	(11.85)
Bristlecone Middle East DMCC •	0.02%	7.40	0.30%	5.41	-0.12%	(0.10)	0.28%	5.31
Mahindra do Brasil Industrial Ltda B	-0.01%	(2.97)	-0.19%	(3.43)	7.96%	6.40	0.16%	2.97
OFD Holding BV (consolidated) €	0.12%	49.11	-0.21%	(3.87)	1.80%	1.45	-0.13%	(2.42)
Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi (Consolidated) ₺	0.10%	43.13	-4.73%	(85.67)	-0.72%	(0.58)	-4.56%	(86.25)
Mahindra Automotive North America Inc. (Consolidated) \$	0.25%	101.89	-21.74%	(393.96)	1.19%	0.96	-20.76%	(393.00)
Erkunt Sanayi A.S. ₺	0.67%	277.17	2.43%	44.12	-104.43%	(83.92)	-2.10%	(39.80)
Erkunt Traktor Sanayii A.S ₺	0.31%	130.38	-6.16%	(111.74)	-12.00%	(9.64)	-6.41%	(121.38)
Mahindra Fresh Fruits Distribution Holding Company (Europe) B.V. € €	-0.02%	(7.31)	-0.03%	(0.63)	-1.57%	(1.26)	-0.10%	(1.89)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Automobili Pininfarina GmbH (consolidated) €	0.56%	234.06	-45.42%	(823.17)	29.83%	23.97	-42.22%	(799.20)
Mahindra Susten Bangladesh Private Limited ©©	0.00%	0.04	0.00%	(0.08)	0.00%	—	0.00%	(0.08)
Mahindra Automotive Mauritius Limited €	0.00%	0.85	-71.98%	(1,304.64)	8.87%	7.13	-68.55%	(1,297.51)
PT Mahindra Accelo Steel Indonesia <<	0.06%	23.28	0.00%	0.03	0.86%	0.69	0.04%	0.72
MSPE Urja S.R.L. €	0.00%	0.51	-0.11%	(1.92)	0.11%	0.09	-0.10%	(1.83)
Mahindra Bangladesh Private Limited ©©	0.01%	3.21	-0.01%	(0.20)	-0.10%	(0.08)	-0.01%	(0.28)
MSPL International DMCC •	-0.05%	(22.58)	-0.63%	(11.42)	0.47%	0.38	-0.58%	(11.04)
Associates (Investment as per the equity method)								
Indian								
Swaraj Engines Limited	0.23%	97.47	1.77%	32.15	0.00%	—	1.70%	32.15
Tech Mahindra Limited (Consolidated)	17.23%	7,163.60	70.38%	1,275.71	148.25%	119.13	73.69%	1,394.84
Mahindra CIE Automotive Limited (Consolidated)	1.35%	561.29	0.67%	12.17	23.90%	19.21	1.66%	31.38
PSL Media & Communications Limited	0.00%	0.99	0.00%	(0.03)	0.00%	—	0.00%	(0.03)
Brainbees Solutions Private Limited	1.02%	425.75	1.45%	26.29	-0.20%	(0.16)	1.38%	26.13
Medwell Ventures Private Limited	0.04%	18.09	-0.34%	(6.16)	0.00%	—	-0.33%	(6.16)
Merakisan Private Limited	-0.01%	(2.51)	-0.05%	(0.88)	0.12%	0.10	-0.04%	(0.78)
Mahindra Knowledge Park Mohali Limited	0.00%	(0.57)	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Foreign								
Mahindra Finance USA LLC \$	1.28%	532.37	2.79%	50.53	-14.77%	(11.87)	2.04%	38.66
CIE Automotive S.A. (Consolidated) €	1.05%	436.20	6.78%	122.90	-120.47%	(96.81)	1.38%	26.09
PF Holdings B.V. (Consolidated) €	0.30%	122.67	-3.29%	(59.57)	5.95%	4.78	-2.89%	(54.79)

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)
Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Scout Network Inc. (Under liquidation) \$	0.00%	—	0.00%	—	0.00%	—	0.00%	—
Resson Aerospace Corporation @	0.01%	5.76	-0.08%	(1.44)	0.67%	0.54	-0.05%	(0.90)
The East India Company Group Ltd BVI £	0.00%	0.00	0.00%	—	0.00%	—	0.00%	—
Joint Ventures (Investment as per the equity method)								
Indian								
Mahindra World City (Jaipur) Limited	0.60%	249.22	1.32%	23.98	0.00%	—	1.27%	23.98
Mahindra World City Developers Limited	0.28%	116.11	-0.46%	(8.27)	0.00%	—	-0.44%	(8.27)
Mahindra Homes Private Limited	0.53%	219.26	0.33%	5.92	0.00%	—	0.31%	5.92
Mahindra Inframan Water Utilities Private Limited	0.00%	(0.01)	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Mahindra Sanyo Special Steel Private Limited	0.06%	25.49	-0.87%	(15.68)	-0.02%	(0.02)	-0.83%	(15.70)
Mahindra Aerospace Private Limited (Consolidated)	0.52%	216.89	-2.69%	(48.69)	-7.85%	(6.31)	-2.91%	(55.00)
Brightsolar Renewable Energy Private Limited	0.04%	16.02	0.02%	0.45	0.00%	—	0.02%	0.45
Mahindra Tsubaki Conveyor Systems Private Limited	0.08%	31.94	0.07%	1.22	0.00%	—	0.06%	1.22
Mahindra Telephonics Integrated Systems Limited	0.01%	5.32	-0.09%	(1.55)	0.00%	—	-0.08%	(1.55)
Classic Legends Private Limited (Consolidated)	0.16%	66.34	-2.94%	(53.32)	2.04%	1.64	-2.73%	(51.68)
Mahindra Happinest Developers Limited	-0.05%	(18.77)	-0.19%	(3.39)	0.00%	—	-0.18%	(3.39)
M.I.T.R.A Agro Equipments Private Limited	0.02%	9.92	0.21%	3.89	0.00%	—	0.21%	3.89
Carnot Technologies Private Limited	0.01%	3.19	-0.06%	(1.12)	0.00%	—	-0.06%	(1.12)
Smartshift Logistics Solution Private Limited	0.06%	26.41	-2.74%	(49.65)	0.00%	—	-2.62%	(49.65)
Mahindra Industrial Park Private Limited	-0.04%	(14.76)	-0.13%	(2.31)	0.00%	—	-0.12%	(2.31)
Mahindra Industrial Park Chennai Limited	0.25%	104.44	0.03%	0.55	0.00%	—	0.03%	0.55

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)

Rupees crores

Name of the Enterprise	Net assets, i.e., total assets minus total liabilities		Share of Profit or loss		Share of Other Comprehensive Income (OCI)		Share of Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Mahindra Summit Agriscience Limited	0.15%	62.27	0.03%	0.48	0.00%	—	0.03%	0.48
Marvel Solren Private Limited	0.06%	25.91	-0.01%	(0.17)	0.00%	—	-0.01%	(0.17)
Aquasail Distribution Company Private Limited	0.00%	0.89	0.00%	(0.09)	0.00%	—	0.00%	(0.09)
New Delhi Centre for Sight Limited (Consolidated)	0.19%	80.76	0.08%	1.37	0.00%	—	0.07%	1.37
Mahindra Manulife Investment Management Private Limited (formerly known as Mahindra Asset Management Company Private Limited) (w.e.f. 29 th April, 2020)	0.35%	145.24	-0.75%	(13.63)	-0.14%	(0.11)	-0.73%	(13.74)
Mahindra Manulife Trustee Private Limited (formerly known as Mahindra Trustee Company Private Limited) (w.e.f. 29 th April, 2020)	0.00%	0.48	0.00%	(0.01)	0.00%	—	0.00%	(0.01)
Foreign								
Mahindra-BT Investment Company (Mauritius) Limited \$	0.22%	90.11	0.02%	0.33	6.55%	5.26	0.30%	5.59
Sampo Rosenlew Oy €	0.08%	32.69	-0.38%	(6.97)	-2.41%	(1.94)	-0.47%	(8.91)
Zoomcar Inc \$	0.00%	0.00	0.00%	—	0.00%	—	0.00%	—
Mahindra Ideal Lanka (Private) Limited BB	0.01%	5.27	0.00%	—	-0.55%	(0.44)	-0.02%	(0.44)
Ideal Finance Limited BB	0.09%	35.39	0.14%	2.56	-3.43%	(2.76)	-0.01%	(0.20)
Profit/(loss) after tax and other comprehensive income of discontinued operations	0.00%	—	-120.80%	(2,189.53)	99.48%	79.94	-111.45%	(2,109.59)
Non controlling Interest	-21.81%	(9,070.31)	16.56%	300.10	19.29%	15.50	16.67%	315.60
Consolidation adjustments and Inter Company Eliminations	-71.82%	(29,866.11)	289.42%	5,245.62	-68.47%	(55.02)	274.22%	5,190.60
Total	100.00%	41,581.92	100.00%	1,812.49	100.00%	80.36	100.00%	1,892.85

• Converted into Indian Rupees at the exchange rate, 1 AED = Rs.20.03 as on 31st March, 2021

^ Converted into Indian Rupees at the exchange rate, 1 AUD = Rs.55.96 as on 31st March, 2021

B Converted into Indian Rupees at the exchange rate, 1 BRL = Rs.12.75 as on 31st March, 2021

@ Converted into Indian Rupees at the exchange rate, 1 CAD = Rs.58.03 as on 31st March, 2021

< Converted into Indian Rupees at the exchange rate, 1 CHF = Rs.77.94 as on 31st March, 2021

> Converted into Indian Rupees at the exchange rate, 1 CNY = Rs.11.21 as on 31st March, 2021

43. Statement of Net Assets and Profit and Loss and Other Comprehensive Income Attributable to Owners and Non-controlling Interest (contd.)

€ Converted into Indian Rupees at the exchange rate, 1 EUR = Rs.86.13 as on 31st March, 2021
 £ Converted into Indian Rupees at the exchange rate, 1 GBP = Rs. 101.00 as on 31st March, 2021
 ¥ Converted into Indian Rupees at the exchange rate, 1 JPY = Rs. 0.6637 as on 31st March, 2021
 » Converted into Indian Rupees at the exchange rate, 1 KRW = Rs. 0.065 as on 31st March, 2021
 © Converted into Indian Rupees at the exchange rate, 1 MXN = Rs. 3.57 as on 31st March, 2021
 ** Converted into Indian Rupees at the exchange rate, 1 MYR = Rs. 17.64 as on 31st March, 2021
 ◇ Converted into Indian Rupees at the exchange rate, 1 NGN = Rs. 0.1795 as on 31st March, 2021
 ≤ Converted into Indian Rupees at the exchange rate, 1 SGD = Rs. 54.6 as on 31st March, 2021
 # Converted into Indian Rupees at the exchange rate, 1 THB = Rs. 2.35 as on 31st March, 2021
 ₺ Converted into Indian Rupees at the exchange rate, 1 TRY = Rs. 8.83 as on 31st March, 2021
 \$ Converted into Indian Rupees at the exchange rate, 1 USD = Rs. 73.59 as on 31st March, 2021
 Z Converted into Indian Rupees at the exchange rate, 1 ZAR = Rs. 4.93 as on 31st March, 2021
 ©© Converted into Indian Rupees at the exchange rate, 1 BDT = Rs. 0.8679 as on 31st March, 2021
 << Converted into Indian Rupees at the exchange rate, 1 IDR = Rs. 0.005 as on 31st March, 2021
 BB Converted into Indian Rupees at the exchange rate, 1 LKR = Rs. 0.3698 as on 31st March, 2021

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

In terms of our report attached.

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

Jamil Khatri
 Partner
 Membership No : 102527

Mumbai, 28th May, 2021

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

Directors

Anand G. Mahindra

Anish Shah

Rajesh Jejurikar

Manoj Bhat

Narayan Shankar

Executive Chairman

Managing Director and CEO

Executive Director (Auto and Farm Sectors)

Group Chief Financial Officer

Company Secretary

Mumbai, 28th May, 2021

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

S No	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @ #
1	Mahindra Vehicle Manufacturers Limited	25/05/2007	INR	1.00	4,154.72	870.56	8,654.19	3,628.91	2,975.86	5,759.47	781.76	126.92	654.84	—	100.00%
2	Mahindra Heavy Engines Limited	31/01/2008	INR	1.00	634.40	58.16	922.38	229.82	15.53	1,060.96	275.15	17.83	257.32	—	100.00%
3	Mahindra Electric Mobility Limited	26/05/2010	INR	1.00	358.42	(103.34)	775.71	520.63	—	212.69	(107.13)	—	(107.13)	—	99.35%
4	NBS International Limited	05/02/2001	INR	1.00	44.55	(41.72)	36.61	33.78	5.06	132.28	(1.00)	0.25	(1.25)	—	100.00%
5	Mahindra Automotive Australia Pty. Limited	23/09/2008	AUD	55.96	25.60	(23.57)	46.22	44.19	—	116.70	3.36	1.62	1.74	—	100.00%
6	Ssangyong Motor Company # £	09/02/2011	KRW	0.07	5,049.61	(5,617.94)	11,894.04	12,462.37	68.75	20,658.17	(3,392.01)	—	(3,392.01)	—	74.65%
7	Ssangyong Motor (Shanghai) Company Limited # £	09/02/2011	CNY	11.21	33.57	(32.02)	2.22	0.67	—	2.60	(1.29)	—	(1.29)	—	74.65%
8	Ssangyong European Parts Center B.V. # ¥ £	09/02/2011	EUR	86.13	6.03	(25.86)	77.61	97.44	—	112.58	1.17	0.20	0.97	—	74.65%
9	SY Auto Capital Co., LTD # £	28/10/2015	KRW	0.07	134.80	122.54	602.43	345.09	—	106.22	18.74	4.94	13.80	—	38.07%
10	SsangYong Australia Pty Limited # £	31/07/2018	AUD	55.96	28.15	(73.97)	216.84	262.66	—	357.54	(21.04)	—	(21.04)	—	74.65%
11	Mahindra Europe S.r.l.	31/05/2005	EUR	86.13	12.24	0.30	90.67	78.13	—	121.12	1.77	0.65	1.12	—	100.00%
12	Mahindra and Mahindra South Africa (Proprietary) Limited	20/10/2004	ZAR	4.93	25.64	13.39	234.68	195.65	—	724.57	16.91	5.10	11.81	—	100.00%
13	Mahindra West Africa Ltd # €	20/05/2016	NGN	0.18	1.09	(0.70)	0.59	0.20	—	0.62	(0.95)	0.07	(1.02)	—	100.00%
14	Mahindra North American Technical Center, Inc.	18/12/2013	USD	73.59	424.38	(350.05)	134.42	60.09	—	89.63	(132.88)	56.08	(188.96)	—	100.00%
15	Mahindra Automotive North America Inc.	25/04/2017	USD	73.59	1,254.29	(167.35)	1,145.53	58.58	1,037.20	91.07	(45.18)	26.45	(71.63)	—	100.00%
16	Mahindra Vehicle Sales and Service Inc.	06/06/2017	USD	73.59	607.24	(635.73)	7.66	36.15	—	82.26	(118.86)	110.84	(229.70)	—	100.00%
17	Automobili Pininfarina GmbH	07/05/2018	EUR	86.13	1,122.27	(889.20)	435.06	201.99	0.22	0.23	(771.82)	47.97	(819.79)	—	100.00%
18	Automobili Pininfarina Americas Inc.	15/01/2019	USD	73.59	0.22	(0.17)	5.27	5.22	—	0.12	0.03	0.02	0.01	—	100.00%
19	Mahindra Bangladesh Private Limited	12/09/2019	BDT	0.87	3.65	(0.44)	3.66	0.45	—	0.52	(0.05)	0.15	(0.20)	—	100.00%
20	Gromax Agri Equipment Limited	18/12/1999	INR	1.00	54.30	(31.27)	88.62	65.59	—	149.09	(0.58)	0.18	(0.76)	—	60.00%
21	Trringo.com Limited	23/05/2016	INR	1.00	27.46	(25.04)	3.11	0.69	—	0.72	(0.14)	—	(0.14)	—	100.00%
22	Mahindra USA Inc.	08/06/1994	USD	73.59	1,630.75	(1,464.43)	1,698.13	1,531.81	—	2,636.27	(194.59)	0.76	(195.35)	—	100.00%

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

S No	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @ #
23	Mahindra Mexico S. de. R. L	08/08/2016	MXN	3.57	75.01	(86.23)	18.55	29.77	—	51.11	(8.32)	—	(8.32)	—	100.00%
24	Mahindra do Brasil Industrial Ltda	14/10/2016	BRL	12.75	77.74	(81.32)	71.32	74.90	0.18	93.18	(2.80)	0.40	(3.20)	—	100.00%
25	Hisarlar Makina Sanayi ve Ticaret Anonim Şirketi #	30/03/2017	TRY	8.83	215.96	(78.61)	255.71	118.35	—	200.68	(14.49)	—	(14.49)	—	94.33%
26	Hisarlar İthalat İhracat Pazarlama Anonim Şirketi # \$	30/03/2017	TRY	8.83	20.04	(4.44)	20.25	4.65	—	106.92	1.87	—	1.87	—	94.33%
27	Erkunt Traktor Sanayii A.S. #	01/12/2017	TRY	8.83	234.00	(150.95)	421.93	338.88	57.95	541.92	(56.13)	14.24	(70.37)	—	100.00%
28	Erkunt Sanayi A.S. #	01/12/2017	TRY	8.83	7.11	157.74	276.15	111.30	5.63	326.23	23.71	3.48	20.23	—	98.69%
29	Sampo Rosenlew Oy	29/09/2020	EUR	86.13	4.83	68.93	399.19	325.43	—	470.87	1.15	0.24	0.91	—	79.13%
30	Mahindra & Mahindra Financial Services Limited	30/09/1998	INR	1.00	246.40	14,465.11	77,036.45	62,324.94	11,607.25	10,516.81	422.43	87.28	335.15	98.84	52.31%
31	Mahindra Insurance Brokers Limited	07/04/2004	INR	1.00	10.31	444.73	590.13	135.09	104.21	268.56	43.98	11.96	32.02	3.09	41.85%
32	Mahindra Rural Housing Finance Limited	09/04/2007	INR	1.00	121.66	1,281.08	8,816.12	7,413.38	813.29	1,454.67	195.31	44.30	151.01	—	52.00%
33	Mahindra Manulife Investment Management Private Limited (formerly known as Mahindra Asset Management Company Private Limited)	20/06/2013	INR	1.00	382.94	(98.16)	310.58	25.80	190.85	30.52	(26.72)	—	(26.72)	—	26.68%
34	Mahindra Manulife Trustee Private Limited (formerly known as Mahindra Trustee Company Private Limited)	25/04/2013	INR	1.00	0.98	(0.03)	0.99	0.04	0.83	0.36	(0.01)	—	(0.01)	—	26.68%
35	Mahindra Finance CSR foundation	02/04/2019	INR	1.00	—	8.48	8.49	0.01	—	10.59	8.49	—	8.49	—	52.31%
36	Mahindra Lifespace Developers Limited	30/03/2007	INR	1.00	51.38	1,394.07	2,033.01	587.56	469.95	136.39	(69.67)	(17.42)	(52.25)	—	51.46%
37	Mahindra Infrastructure Developers Limited	14/12/2001	INR	1.00	18.00	1.96	20.64	0.68	0.10	27.64	27.62	0.47	27.15	—	51.46%
38	Mahindra World City (Maharashtra) Limited	21/09/2005	INR	1.00	1.17	(11.08)	11.80	21.71	11.79	—	(0.90)	—	(0.90)	—	51.46%
39	Mahindra Integrated Township Limited	04/05/2006	INR	1.00	50.00	16.01	233.58	167.57	66.29	16.92	(3.04)	(0.88)	(2.16)	—	38.08%
40	Knowledge Township Limited	16/08/2007	INR	1.00	49.07	6.07	64.81	9.67	—	—	(0.03)	0.01	(0.04)	—	51.46%
41	Mahindra Residential Developers Limited	01/02/2008	INR	1.00	0.25	94.60	106.68	11.83	—	21.65	4.82	1.37	3.45	—	38.08%
42	Industrial Township (Maharashtra) Limited	02/07/2008	INR	1.00	5.00	(2.31)	2.71	0.02	—	0.01	*	—	*	—	51.46%

Rupees crores

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

S No	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @ #
43	Anthurium Developers Limited	02/06/2010	INR	1.00	0.05	0.25	0.31	0.01	—	0.01	*	—	*	—	51.46%
44	Mahindra Industrial Park Private Limited	29/03/2013	INR	1.00	0.05	(14.81)	226.82	241.58	—	0.03	(6.75)	(1.70)	(5.05)	—	51.46%
45	Mahindra Water Utilities Limited	27/07/2015	INR	1.00	0.10	22.55	26.39	3.74	0.04	24.28	10.81	2.75	8.06	9.00	50.94%
46	Mahindra World City Developers Limited	22/09/2004	INR	1.00	20.00	110.46	465.04	334.58	115.00	46.96	(8.36)	1.81	(10.17)	—	45.80%
47	Mahindra World City Jaipur Limited	26/08/2005	INR	1.00	150.00	186.78	687.48	350.70	—	111.02	40.19	7.78	32.41	15.00	38.08%
48	Mahindra Bloomdale Developers Limited	03/06/2008	INR	1.00	0.05	(9.67)	156.06	165.68	—	21.54	(0.05)	6.12	(6.17)	—	51.46%
49	Mahindra Industrial Park Chennai Limited	22/12/2014	INR	1.00	170.00	4.07	333.51	159.44	—	40.97	1.23	0.32	0.91	—	27.48%
50	Mahindra Homes Private Limited	30/03/2017	INR	1.00	0.95	437.56	837.84	399.33	—	246.88	11.85	—	11.85	—	36.85%
51	Mahindra Happinest Developers Limited	06/09/2017	INR	1.00	0.10	(36.90)	413.02	449.82	—	50.87	(13.38)	—	(13.38)	—	26.24%
52	Mahindra Knowledge Park Mohali Limited	07/05/2018	INR	1.00	—	(1.24)	—	1.24	—	*	(0.02)	—	(0.02)	—	23.75%
53	Deep Mangal Developers Private Ltd	28/11/2017	INR	1.00	0.01	(0.48)	3.16	3.63	—	*	(0.11)	—	(0.11)	—	51.46%
54	Moonshine Construction Private Ltd	28/11/2017	INR	1.00	—	(0.32)	—	0.32	—	—	*	—	*	—	51.46%
55	Mahindra Consulting Engineers Limited	22/08/1995	INR	1.00	1.89	17.09	28.63	9.65	—	15.14	1.68	0.39	1.29	—	88.35%
56	Mahindra Holidays & Resorts India Limited	28/03/2000	INR	1.00	132.92	201.79	6,117.20	5,782.49	161.77	908.76	169.46	43.70	125.76	—	67.63%
57	Mahindra Hotels and Residences India Limited	26/04/2007	INR	1.00	0.05	(0.21)	0.01	0.17	—	*	(0.02)	—	(0.02)	—	67.63%
58	Gables Promoters Private Limited	24/08/2012	INR	1.00	65.00	19.92	157.08	72.16	—	15.00	(1.42)	—	(1.42)	—	67.63%
59	Heritage Bird (M) Sdn. Bhd.	03/03/2008	MYR	17.64	0.53	(0.35)	7.56	7.38	—	1.27	0.48	0.10	0.38	—	67.63%
60	Infinity Hospitality Group Company Limited	05/11/2012	THB	2.35	35.25	(29.18)	48.37	42.30	—	3.85	(2.15)	—	(2.15)	—	50.03%
61	MH Boutique Hospitality Limited	02/11/2012	THB	2.35	2.35	(4.13)	8.95	10.73	8.93	*	(0.24)	—	(0.24)	—	33.14%
62	MHR Holdings (Mauritius) Limited	11/07/2014	EUR	86.13	1.25	(43.91)	620.27	662.93	199.68	10.96	(7.54)	—	(7.54)	—	67.63%
63	Covington S.a.r.l.	17/07/2014	EUR	86.13	0.11	192.13	615.25	423.01	584.69	0.82	(10.11)	0.04	(10.15)	—	67.63%
64	HCR Management Oy	02/09/2015	EUR	86.13	0.03	19.50	19.54	0.01	18.04	—	(0.01)	—	(0.01)	—	67.63%
65	Holiday Club Resort Oy	02/09/2015	EUR	86.13	103.00	298.94	949.08	547.14	67.83	707.15	(98.57)	—	(98.57)	—	67.63%
66	Kiinteistö Oy Himos Gardens	02/09/2015	EUR	86.13	0.02	9.36	9.45	0.07	—	0.09	—	—	—	—	67.63%
67	Suomen Vapaa-aikaisteistöt Oy	02/09/2015	EUR	86.13	0.02	0.11	0.14	0.01	—	—	(0.01)	—	(0.01)	—	67.63%

Rupees crores

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

S No	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/(Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @ #
96	Mahindra Two Wheelers Europe Holdings S.a.r.l. \$	02/12/2014	EUR	86.13	1,136.05	(368.26)	767.98	0.19	766.56	—	(0.55)	—	(0.55)	—	100.00%
97	Peugeot Motocycles S.A.S. #	19/01/2015	EUR	86.13	180.82	(295.00)	539.83	654.02	59.15	969.72	(51.59)	(5.95)	(45.64)	—	100.00%
98	Peugeot Motocycles Deutschland GmbH # \$	19/01/2015	EUR	86.13	0.22	6.14	43.85	37.48	—	151.20	0.96	0.21	0.75	—	100.00%
99	Peugeot Motocycles Italia S.p.A. # €	19/01/2015	EUR	86.13	2.27	(1.06)	8.23	7.02	—	1.43	(5.43)	—	(5.43)	—	100.00%
100	PMTIC Engineering SpA	23/01/2012	EUR	86.13	0.86	6.16	8.24	1.22	—	1.44	(3.84)	—	(3.84)	—	100.00%
101	Mahindra Tractor Assembly Inc.	25/01/2013	USD	73.59	804.38	(810.09)	10.15	15.86	—	30.03	(56.45)	0.01	(56.46)	—	100.00%
102	Mahindra Agri Solutions Limited	16/08/2000	INR	1.00	94.17	(28.81)	288.72	223.36	90.32	254.01	(56.73)	—	(56.73)	—	98.79%
103	Mahindra Summit Agriscience Limited	09/10/2018	INR	1.00	128.11	(23.92)	200.92	96.73	—	176.40	0.31	(0.49)	0.80	—	59.27%
104	Merakisan Private Limited	25/07/2019	INR	1.00	1.57	(9.42)	1.74	9.59	—	9.55	(2.75)	—	(2.75)	—	31.55%
105	Mahindra EPC Irrigation Limited	08/09/2011	INR	1.00	27.84	158.87	268.22	81.51	1.80	257.31	25.31	6.11	19.20	1.82	54.40%
106	Mahindra Top Greenhouses Private Limited	16/11/2018	INR	1.00	3.00	(1.05)	3.76	1.81	—	5.16	(0.39)	—	(0.39)	—	32.64%
107	Mahindra HZPC Private Limited	25/04/2013	INR	1.00	44.89	(43.09)	50.52	48.72	—	44.36	(1.39)	—	(1.39)	—	59.22%
108	Mahindra Greenyard Private Limited	09/07/2014	INR	1.00	10.43	(11.06)	1.76	2.39	—	67.98	1.96	—	1.96	—	98.79%
109	Mahindra Fresh Fruits Distribution Holding Company B.V. #	17/11/2017	EUR	86.13	0.09	(1.15)	36.98	38.04	35.84	—	(0.63)	—	(0.63)	—	98.79%
110	OFD Holding BV # \$	22/02/2017	EUR	86.13	0.27	40.20	47.06	6.59	45.65	0.22	(0.13)	(0.01)	(0.12)	—	82.09%
111	Origin Direct Asia Ltd. #	22/02/2017	USD	73.59	0.01	0.01	12.80	12.79	—	81.81	3.67	0.04	3.63	—	49.25%
112	Origin Fruit Direct B.V. #	22/02/2017	EUR	86.13	0.12	45.53	119.72	74.07	—	488.28	(3.17)	(0.79)	(2.38)	—	82.09%
113	Origin Fruit Services South America SpA # \$	22/02/2017	CLP	0.10	0.01	(0.84)	2.26	3.09	—	3.29	0.06	—	0.06	—	82.09%
114	Origin Direct Asia (Shanghai) Trading Co. Ltd. #	22/02/2017	CNY	11.21	1.04	(12.61)	4.08	15.65	—	22.05	(0.66)	—	(0.66)	—	82.09%
115	Bristlecone Limited	17/05/2004	USD	73.59	0.18	122.06	219.11	96.87	210.16	10.07	6.53	2.13	4.40	—	74.86%
116	Bristlecone India Limited	25/09/1995	INR	1.00	19.05	161.38	255.48	75.05	35.52	346.00	52.61	13.36	39.25	—	74.86%
117	Bristlecone Consulting Limited	01/06/2010	CAD	58.03	—	3.23	3.51	0.28	—	0.75	(1.13)	(0.30)	(0.83)	—	74.86%
118	Bristlecone (Malaysia) Sdn.Bhd	30/05/2007	MYR	17.64	0.88	2.16	3.07	0.03	—	0.02	(0.06)	—	(0.06)	—	74.86%
119	Bristlecone International AG	21/06/2011	CHF	77.94	0.78	19.21	24.38	4.39	—	15.90	4.77	0.40	4.37	—	74.86%
120	Bristlecone (UK) Limited	31/05/1999	GBP	101.00	23.74	(18.24)	5.94	0.44	—	0.55	0.25	—	0.25	—	74.86%

Rupees crores

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

S No	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @ #
121	Bristlecone Inc.	17/05/2004	USD	73.59	50.42	17.74	175.50	107.34	—	425.14	4.62	2.47	2.15	—	74.86%
122	Bristlecone Middle East DMCC	18/07/2016	AED	20.03	0.10	7.30	14.03	6.63	—	16.56	5.37	—	5.37	—	74.86%
123	Bristlecone GmbH	09/12/2003	EUR	86.13	0.43	41.69	48.69	6.57	—	30.16	0.71	0.50	0.21	—	74.86%
124	Bristlecone (Singapore) Pte. Limited	21/02/2003	SGD	54.60	9.12	(3.65)	13.22	7.75	—	22.38	1.98	—	1.98	—	74.86%
125	Mahindra-BT Investment Company (Mauritius) Limited	24/12/2004	USD	73.59	87.42	70.66	158.15	0.07	24.24	0.96	0.67	0.10	0.57	—	57.00%
126	Mahindra Intertrade Limited	28/04/1983	INR	1.00	16.60	624.74	974.50	333.16	146.35	1,066.76	80.54	20.65	59.89	33.20	100.00%
127	Mahindra Steel Service Centre Limited	29/12/1993	INR	1.00	16.54	79.91	243.88	147.43	—	171.74	(9.85)	(3.24)	(6.61)	—	61.00%
128	Mahindra Electrical Steel Private Limited **	11/07/2009	INR	1.00	0.50	(7.70)	7.08	14.28	—	—	(2.53)	—	(2.53)	—	100.00%
129	Mahindra MSTC Recycling Private Limited	16/12/2016	INR	1.00	45.20	(16.51)	34.72	6.03	—	9.88	(1.66)	0.06	(1.72)	—	50.00%
130	Mahindra Auto Steel Private Limited	12/12/2013	INR	1.00	68.50	28.17	149.55	52.88	—	68.61	1.86	0.66	1.20	0.20	51.00%
131	Mahindra Middleeast Electrical Steel Service Centre (FZC)	08/08/2004	AED	20.03	4.04	18.02	50.30	28.24	—	55.85	(3.48)	—	(3.48)	—	90.00%
132	PT Mahindra Accelo Steel Indonesia **	19/12/2018	IDR	0.0050	24.25	(0.97)	36.07	12.79	—	0.60	0.03	—	0.03	—	99.98%
133	Mahindra Holdings Limited	02/11/2007	INR	1.00	2,463.50	(274.91)	2,189.41	0.82	2,068.34	1.91	(206.25)	(98.43)	(107.82)	—	100.00%
134	Mahindra Overseas Investment Company (Mauritius) Limited	24/12/2004	USD	73.59	3,121.02	(3,232.39)	1,805.08	1,916.45	1,592.16	66.91	(1,495.14)	11.90	(1,507.04)	—	100.00%
135	Mahindra Automotive Mauritius Limited	06/11/2018	EUR	86.13	1,300.61	(1,300.16)	0.50	0.05	—	0.01	(1,299.37)	—	(1,299.37)	—	100.00%
136	Mahindra Racing UK Limited	04/03/2011	GBP	101.00	0.20	(13.74)	83.22	96.76	—	162.46	(7.42)	—	(7.42)	—	100.00%
137	Mahindra Susten Private Limited	04/03/2011	INR	1.00	195.46	802.82	2,288.15	1,289.87	390.21	1,008.39	33.62	27.48	6.14	—	100.00%
138	Mahindra Renewables Private Limited	28/07/2013	INR	1.00	321.52	63.19	2,419.71	2,035.00	143.67	157.21	6.96	(30.38)	37.34	—	100.00%
139	Mahindra Teqo Private Limited	05/01/2016	INR	1.00	0.10	8.50	63.15	54.55	—	88.55	8.90	2.08	6.82	—	100.00%
140	Neo Solren Private Limited	01/07/2015	INR	1.00	9.32	65.38	308.51	233.81	—	43.66	2.16	(0.70)	2.86	—	100.00%
141	Marvel Solren Private Limited	10/10/2015	INR	1.00	27.82	23.00	131.58	80.76	—	13.76	(0.46)	(0.12)	(0.34)	—	51.00%
142	Astra Solren Private Limited	14/10/2015	INR	1.00	8.89	66.32	414.96	339.75	—	65.82	6.61	1.84	4.77	—	100.00%
143	Brightsolar Renewable Energy Private Limited	03/12/2013	INR	1.00	9.52	12.75	86.62	64.35	—	13.17	1.26	0.35	0.91	—	51.00%
144	Mega Suryaajra Private Limited **	16/02/2017	INR	1.00	0.15	(0.14)	6.60	6.59	—	—	(0.03)	(0.02)	(0.01)	—	100.00%
145	Mahindra Susten Bangladesh Private Limited **	16/04/2018	BDT	0.87	0.35	(0.27)	0.25	0.17	—	—	(0.08)	—	(0.08)	—	100.00%
146	MSPE Urja S.R.L. ** \$ €	29/03/2019	EUR	86.13	5.38	(4.87)	0.98	0.47	—	0.99	(1.90)	—	(1.90)	—	100.00%

Rupees crores

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

S No	Name of Subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @ #
147	MSPL International DMCC **	08/10/2019	AED	20.03	0.10	(22.68)	0.37	22.95	—	—	(11.32)	—	(11.32)	—	100.00%
148	Marial Solren Private Limited**	27/08/2020	INR	1.00	0.01	(0.02)	0.01	0.02	—	—	(0.02)	—	(0.02)	—	100.00%
149	Mahindra Engineering and Chemical Products Limited	30/04/1964	INR	1.00	117.79	780.04	901.86	4.03	869.72	34.45	1.71	0.47	1.24	—	100.00%
150	Retail Initiative Holdings Limited	01/07/2009	INR	1.00	20.55	(157.80)	357.38	494.63	357.37	—	(0.04)	—	(0.04)	—	100.00%
151	Mahindra Retail Limited	01/07/2009	INR	1.00	961.66	(522.66)	446.52	7.52	320.73	120.75	60.53	0.50	60.03	—	100.00%
152	Mahindra Defence Systems Limited	30/07/2012	INR	1.00	16.72	320.12	485.97	149.13	7.34	458.59	72.96	22.93	50.03	—	100.00%
153	Mahindra Telephonics Integrated Systems Limited	22/04/2013	INR	1.00	50.78	(40.35)	20.90	10.47	—	12.24	(3.04)	—	(3.04)	—	51.00%
154	Mahindra Emirates Vehicle Armouring FZ-LLC	05/08/2010	AED	20.03	20.03	5.23	42.48	17.22	0.05	87.64	1.09	—	1.09	—	88.00%
155	Mahindra Armored Vehicles Jordon, LLC	31/03/2019	JOD	103.25	0.05	0.27	2.99	2.67	—	36.42	0.12	—	0.12	—	88.00%
156	Mahindra First Choice Wheels Ltd	24/03/2008	INR	1.00	79.51	32.53	260.55	148.51	35.12	418.96	(3.30)	—	(3.30)	—	50.60%
157	Fifth Gear Ventures Limited	17/01/2020	INR	1.00	0.11	(0.82)	8.80	9.51	—	11.94	(4.64)	—	(4.16)	—	50.60%
158	Mahindra Namaste Limited	02/01/2010	INR	1.00	9.01	(7.91)	1.31	0.21	—	1.04	0.15	—	0.15	—	88.35%
159	Mahindra Integrated Business Solutions Private Limited	18/01/2011	INR	1.00	9.78	135.84	210.33	64.71	0.14	198.34	5.16	1.71	3.45	—	100.00%
160	Mahindra Publications Limited (formerly known as Mahindra 'Electoral Trust' Company)	30/12/2013	INR	1.00	0.05	(0.04)	0.02	0.01	—	—	(0.01)	—	(0.01)	—	100.00%
161	Mahindra eMarket Limited	11/08/2014	INR	1.00	0.80	2.06	7.00	4.14	—	12.39	(3.64)	—	(3.64)	—	83.47%
162	Mahindra Airways Limited	27/07/2016	INR	1.00	5.85	(5.32)	0.65	0.12	—	2.50	(2.17)	—	(2.17)	—	100.00%
163	Mahindra Logistics Limited	12/12/2007	INR	1.00	71.71	493.56	1,578.32	1,013.05	76.48	2,974.61	32.64	8.65	23.99	17.92	58.34%
164	2 x 2 Logistics Private Limited	22/10/2012	INR	1.00	9.01	(2.54)	27.30	20.83	—	36.62	(3.64)	(1.01)	(2.63)	—	32.09%
165	Lords Freight (India) Private Limited	07/08/2014	INR	1.00	2.36	13.78	94.65	78.51	—	299.42	8.94	2.39	6.55	—	57.79%
166	Mahindra Aerospace Private Limited	28/02/2008	INR	1.00	912.39	(713.99)	198.54	0.14	195.14	0.69	(240.23)	0.10	(240.33)	—	91.59%
167	Mahindra Aerostructures Private Limited	27/01/2011	INR	1.00	464.50	(285.38)	204.69	25.56	—	70.49	(22.97)	—	(22.97)	—	91.59%
168	Mahindra Aerospace Australia Pty Limited	08/04/2010	AUD	55.96	795.39	(762.03)	33.48	0.12	—	—	(95.89)	—	(95.89)	—	91.59%
169	GA8 Airvan Pty Limited \$	27/06/2010	AUD	55.96	0.06	(0.05)	0.01	—	—	—	*	—	*	—	91.59%
170	GA200 Pty Limited \$	27/06/2010	AUD	55.96	0.06	(0.05)	0.01	—	—	—	*	—	*	—	91.59%
171	Nomad TC Pty Limited \$	27/06/2010	AUD	55.96	0.13	(0.12)	0.01	—	—	—	*	—	*	—	91.59%

Rupees crores

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

S No	Name of subsidiary	The date since when subsidiary was acquired	Reporting currency	Exchange rate	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Gross Turnover	Profit/(Loss) before Tax	Provision for Tax	Profit/ (Loss) after Tax	Proposed Dividend and Tax thereon	Proportion of ownership interest @ ##
172	Airvan 10 Pty Limited \$	10/12/2015	AUD	55.96	0.06	(0.05)	0.01	—	—	—	*	—	*	—	91.59%
173	Gippsaero Pty Limited	27/06/2010	AUD	55.96	680.46	(659.41)	30.53	9.49	—	25.97	(40.49)	—	(40.49)	—	91.59%
174	Airvan Flight Services Pty Limited \$	27/06/2010	AUD	55.96	0.06	(0.05)	0.01	—	—	—	*	—	*	—	91.59%
175	Mahindra Waste To Energy Solutions Limited	25/06/2017	INR	1.00	30.00	(7.63)	30.47	8.10	—	12.44	(2.53)	—	(2.53)	—	87.39%
176	Mahindra Telecom Energy Management Services Limited **	25/06/2017	INR	1.00	0.05	(0.03)	0.03	0.01	—	—	(0.01)	—	(0.01)	—	100.00%
177	Mahindra Construction Company Ltd	28/11/2017	INR	1.00	2.40	(24.88)	0.61	23.09	—	0.01	(0.02)	—	(0.02)	—	65.37%
178	Meru Travel Solutions Private Limited	05/12/2019	INR	1.00	97.12	28.18	125.42	0.12	125.28	—	(0.59)	—	(0.59)	—	43.20%
179	Meru Mobility Tech Private Limited	05/12/2019	INR	1.00	0.17	10.21	74.08	63.70	11.54	42.88	(28.47)	—	(28.47)	—	43.20%
180	V-Link Automotive Services Private Limited	05/12/2019	INR	1.00	0.01	28.95	31.31	2.34	—	0.49	(0.06)	—	(0.06)	—	43.20%
181	V-Link Fleet Solutions Private Limited	05/12/2019	INR	1.00	0.01	(13.39)	2.10	15.48	—	2.83	(1.32)	—	(1.32)	—	43.20%

Notes

* denotes amounts less than Rs. 50,000.

** denotes companies yet to commence operations

denotes companies where reporting period is different from 1st April, 2020 to 31st March, 2021. The financial year for all other subsidiaries is 1st April, 2020 to 31st March, 2021

€ Under liquidation

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

¥ Based on unaudited financial statements.

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

There are no companies where voting power is different from ownership interests

£ Treated as discontinued operations in the consolidated financial statements (Refer note 42)

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) Mahindra Trucks and Buses Limited
- (2) Mahindra Automobile Distributor Private Limited
- (3) Auto Digitech Private Limited
- (4) Mahindra First Choice Services Limited
- (5) Divine Solren Private Limited
- (6) Graphic Research Design s.r.l. (formerly known as Mahindra Graphic Research Design s.r.l)

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	31/03/2021	11/08/2008	4,216,792	34.74%	26.28	97.47	32.15	60.39
Tech Mahindra Limited	31/03/2021	31/08/2012	251,548,691	28.81%	985.57	7,163.60	1,275.71	3,152.30
Mahindra & Mahindra Contech Limited	31/03/2021	01/04/2010	70,000	46.66%	1.73	7.30	0.54	0.61
Officemartindia.com Limited	31/03/2021	31/03/2002	749,997	50.00%	0.22	(0.12)	*	*
Kota Farm Services Limited	31/03/2021	15/04/2011	310,000	47.81%	0.30	(0.15)	*	*
P.F. holding BV \$		27/05/2016	26,336,050	40.00%	254.05	122.67	(59.57)	(89.36)
Carnot Technologies Private Limited	31/03/2021	09/03/2018	16,562	49.51%	18.07	3.19	(1.12)	(1.15)
Mitsubishi Mahindra Agricultural Machinery co., Ltd. §		01/10/2015	4	33.33%	191.59	68.04	(3.28)	(6.55)
M.I.T.R.A Agro Equipments Private Limited	31/03/2021	15/02/2018	102,662	40.60%	15.99	9.92	3.89	5.68
Zoomcar Inc \$ ^ †		16/02/2018	11,913,048	16.81%	—	—	—	—
Smartshift Logistics Solutions Private Limited	31/03/2021	28/03/2018	1,040,148	35.76%	173.44	26.41	(49.65)	(89.19)
Mahindra Ideal Lanka (Private) Limited	31/03/2021	31/05/2018	175,000	35.00%	6.79	5.33	*	*
Mahindra Sanyo Special Steel Private Limited	31/03/2021	21/06/2018	3,475,264	22.81%	145.13	25.49	(15.68)	(53.05)

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

Notes:

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

* denotes amount less than Rs. 50,000

†† including participating preference shares

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

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

<p>Vikram Singh Mehta Vishakha N. Desai T. N. Manoharan Haigreve Khaitan Shikha Sharma Nisaba Godrej Muthiah Murugappan Vijay Kumar Sharma CP Gurnani</p>	}	<p>Directors</p>	<p>Anand G. Mahindra Anish Shah Rajesh Jejurikar Manoj Bhat Narayan Shankar</p>	<p>Executive Chairman Managing Director and CEO Executive Director (Auto and Farm Sectors) Group Chief Financial Officer Company Secretary</p>
---	---	------------------	---	--

Mumbai, 28th May, 2021

Mahindra
Rise.

Registered Office

Mahindra & Mahindra Limited
Gateway Building, Apollo Bunder
Mumbai 400 001

www.mahindra.com