Motherson Sumi Systems Limited

Standing on the shoulders of giants.

Motherson Sumi Systems Limited

30th Annual Report 2016-2017

Annual Report

2016-2017

Year **2/5** of our **2020** plan.

Proud to be part of samvardhana **motherson**

Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Chapter 1

Corporate Information.

(Late) Smt. S.L. Sehgal
Founder Chairperson

(Late) Sh. K.L. Sehgal
Chairman Emeritus

Board of Directors

Mr. Vivek Chaand Sehgal
Chairman

Mr. Sushil Chandra Tripathi IAS (Retd.)
Independent Director

Mr. Toshimi Shirakawa
Director

Mr. Arjun Puri
Independent Director

Mr. Gautam Mukherjee
Independent Director

Ms. Geeta Mathur
Independent Director

Mr. Naveen Ganzu
Independent Director

Mr. Laksh Vaaman Sehgal
Director

Ms. Noriyo Nakamura
Director

Mr. Pankaj Mital
Whole-time Director/
Chief Operating Officer

Registered Office

Unit 705, C Wing, ONE BKC, G Block,
Bandra Kurla Complex, Bandra East,
Mumbai – 400051, Maharashtra, India

Investor Cell

Mr. G.N. Gauba
Company Secretary &
Chief Financial Officer
investorrelations@motherson.com

Registrar

Karvy Computershare Pvt. Ltd.
Karvy Selenium Tower B
Plot number 31 & 32
Financial District Nanakramguda
Serilingampally Mandal
Hyderabad – 500032, India

Auditors

Price Waterhouse Chartered
Accountants LLP.
Building 8, 7th & 8th Floor
DLF Cyber City, Gurgaon – 122002
Haryana, India

Bankers

- State Bank of India
- Axis Bank Ltd.
- Citibank N.A.
- DBS Bank Ltd.
- HDFC Bank Ltd.
- ICICI Bank Ltd.
- Japan Bank for International Cooperation
- Standard Chartered Bank
- The Bank of Tokyo Mitsubishi UFJ Ltd.
- The Hongkong and Shanghai Banking Corporation Ltd.

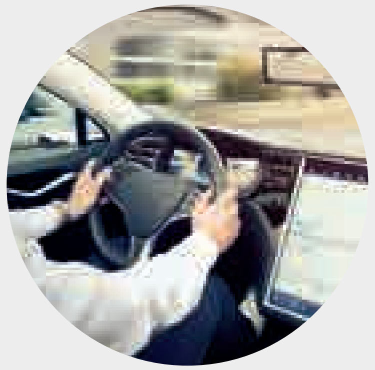
Introduction

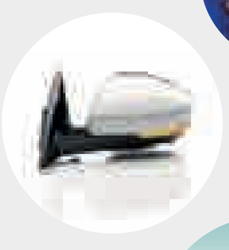
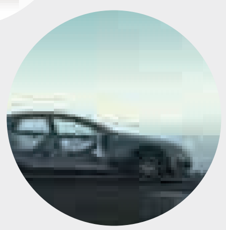
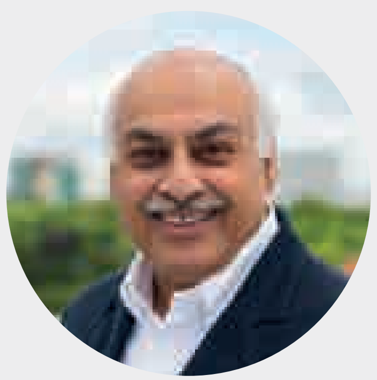
Standing on the shoulders of giants.

The team photographs have been taken for the Annual Report for illustrative purposes, and do not reflect the real shop floor conditions.

Since our inception in 1986, MSSL has seen astonishing growth. And our journey continues to be breath taking, as we move towards our 2020 targets. We believe that while we are scaling such heights, it is important to realise how we are doing it. To us, one of the key enablers of our success in serving our customers is our teams. Throughout our company, inside all our divisions and across the countries we operate in: our teams are making it all happen. Through them, we are able to create value for all our stakeholders together. That is why, in this annual report, we want to honour them. Naturally, we had to make a selection. But the teams that have been presented here, stand for all the thousands of teams that we are so proud of. Our teams are the giants on whose shoulders MSSL stands.

Table of Contents.



Dear Shareholders,

With this year's letter, we mark another record year since we started our amazing journey towards becoming a globally preferred solutions provider. We are also closing the second year of our 5th five-year plan. In this annual report, we look back at a year of excellent financial performance and important acquisitions. We also look at the teams within MSSL who really are the foundations of these achievements. With such strengths, we look forward to the coming years with great excitement.

This brings me to this year's financial results. FY 2016-17 has been very good for MSSL. Consolidated sales ended at INR 41,985 Crore (USD 6.5 billion), a 15% increase from last year. Operating EBITDA grew 21% and our PAT went up to 20%. Consolidated Return on Capital Employed (ROCE) improved to 28%. MSSL's standalone ROCE stands at a solid 48%. The dividend pay-out for FY 2016-17 constitutes 33% of consolidated profits after tax. This amounts to dividend of INR 2 per share.

We have declared new orders worth approximately EUR 12.9 billion for SMRPBV during FY 2016-17. We are honoured and very grateful for these, as they reflect the ongoing trust of the customers to whom we dedicate our daily work. In view of the growing demand for support from customers, we are creating new facilities to support their global requirements. Currently, 9 plants are at different stages of completion.

The second element I wanted to discuss is our acquisition of Finland's PKC Group, which we announced earlier this year. We have known this company for years and the acquisition is a significant step towards many of our targets. Firstly it brings us closer to being a globally preferred solutions provider by attaining a leadership position in the wiring harness business for commercial vehicles globally. Additionally, with this acquisition we are entering the rolling stock segment, which is a new customer segment for MSSL. Secondly, the acquisition brings us closer to our 2020 revenue targets of USD 18 billion. Thirdly, PKC Group's footprint strengthens our ability to achieve 3CX15 – our commitment to ensure no Component, Country or Customer contributes more than 15% of our revenues.

This acquisition makes MSSL a market leader in wiring harnesses for heavy duty commercial vehicles in the North American and European markets. It also expands our presence in Brazil and in China. Moreover, we see great synergies between MSSL and PKC Group, apart from a complementary geographical presence to serve customers in all regions. With the focus on operational expertise that MSSL is known for and also the technical know-how relating to commercial vehicles business of PKC Group, we will be able to bring more value to our customers and suppliers. We are very excited about the opportunities it offers.

This brings me to the third element I wanted to discuss : our people. When I reflect on our journey, the fact that we have always created stellar financial performance from a foundation of strong values and guiding principles fills me with immense joy. There is no doubt that Motherson creates value from values and that these values stem to a large extent from my mother – the "Mother" in our name Motherson. As we grow, it is paramount that we continue to promote these values so that the new people who join our growing Group can embrace them as well.

One way to do this is to put the spotlight on excellent examples of the values and value driven mindset

The acquisition of PKC Group makes MSSL a market leader in wiring harnesses for heavy duty commercial vehicles in the North American and European markets.“

within the teams of MSSL. That is why we have selected the theme focused on the teams of MSSL for this year’s Annual Report.

The outstanding teams that work for our customers day in and day out, across levels, divisions, and geographies are quite literally the giants on whose shoulders MSSL stands. Naturally, the teams we are profiling for you in the pages ahead are just a small sample of the thousands of teams that make up our Group and they represent all the others as well. Together, they represent the foundations of our past, present and future growth and our ability to support our customers with dedication, skill and perseverance.

We are very proud to have them with us and are glad to introduce them to you here.

Finally, I want to express our gratitude to all our stakeholders. To our customers for their continued trust in our ability to support them and bring value to their business.

To our collaborators for helping us support our customers and keep our promises to them. To our employees and teams, who work with passion and focus to support our customers and each other; it has been another remarkable year in our journey.

And lastly of course to you, our shareholders, for your unwavering belief in our strategy and judgement.

We would also like to thank all local, state and national governments, the concerned bodies, and the banks and financial institutions in all countries in which we operate, for their strong support.

On behalf of all of us at MSSL, thank you for walking with us on our journey into the future. We believe the best is yet to come.

Sincerely yours,

Vivek Chaand Sehgal
Chairman,
Motherson Sumi Systems Limited

Samvardhana Motherson International Limited.

Samvardhana Motherson International Limited

Samvardhana Motherson International Limited (SMIL) is the principal holding company of the Samvardhana Motherson Group (SMG). It holds 34.81% of the equity share capital of Motherson Sumi Systems Limited (MSSL), the flagship company of SMG.

In 1986, Motherson Sumi Systems Limited (MSSL) was formed as a joint venture between Samvardhana Motherson International Limited (SMIL – the holding company of the group), Sumitomo Wiring Systems (25.34% current stake) and Sojitiz Corporation for manufacturing wiring harness for the automotive industry. The Group has 24 collaborators who are leaders in their respective fields. These partners, along with subsidiaries, play a crucial role in strengthening SMIL's product and process competencies. MSSL stands on higher shoulders through these partnerships, as they enhance its ability of being a full system solutions provider across industry segments. In addition, the healthy growth of SMIL has evolved from a combination of organic growth as well as inorganic growth.

Strong vertical and horizontal integration have been the cornerstones for the growth and development of SMG. SMIL has led the way by honing the ability to source from within the Group. This direction has led to cost cutting, reliability, quality maintenance and timeliness, and has been instrumental in building synergies internally. SMIL also drives the shared services of the Group, such as the IT systems that form the backbone of information management, along with procurement and back office services.

Today, SMIL binds and manages the different ventures of the Group and provides direction to drive growth by creating value for all its stakeholders. SMIL's diversified product portfolio encompasses the entire range of SMG products, and its multiple businesses have deep manufacturing and design capabilities to cater to various customer requirements.

"SMIL binds and manages the different ventures of the Group and provides direction to drive growth by creating value for all its stakeholders."

Sumitomo Wiring Systems, Ltd.

Sumitomo Wiring Systems, Ltd.

Sumitomo Wiring Systems, Ltd. (SWS), which is a 100% subsidiary of Sumitomo Electric Industries, Ltd. (Japan), and Motherson entered into a technical agreement together in 1983, which eventually evolved to a joint venture in 1986 to form Motherson Sumi Systems Limited (the flagship company of SMG) to manufacture wiring harnesses in India. This was just the beginning of a longstanding and fruitful relationship between SWS and Motherson. Our joint venture with SWS is one of the oldest running JVs in the Indian industry.

SWS is a world leader in the manufacturing and sale of wiring harnesses, its components and other electric wires. They are focused on R&D which enables them to innovate continuously in the field of vehicle electronics. SWS has regularly developed and introduced new components and technologies into the market. SWS supports MSSL by providing the latest technologies for manufacturing wiring harnesses, wires and components in India. Recently Sumitomo and MSSL worked together on important projects such as junction boxes, aluminium wires in wiring harnesses, new generation connectors, automation of important processes, etc.

SWS has also closely associated itself with MSSL in the area of technical support through resident technical advisors, training of engineers and production personnel, manufacturing methodologies, manufacturing techniques, quality circle activities, kaizen as well as collaborative design and development. SWS has ensured that our flagship company MSSL remains abreast with latest technologies, along with building a high degree of vertical integration that has enabled us to strengthen our base quickly. With the invaluable support of SWS in the wiring harness business, MSSL always delivers lasting value to customers. SWS has quite literally put MSSL on a giant's shoulder.

"SWS supports MSSL by providing the latest technologies for manufacturing wiring harnesses, wires and components in India."

Samvardhana Motherson Group.

Samvardhana Motherson Group (SMG) is one of the world's fastest growing specialised automotive component manufacturer for OEMs. It is a full system solutions provider with a diversified, industry-leading portfolio of auto ancillary products and services that focus principally on the automotive industry.

The Group has been able to harness synergies through horizontal and vertical integration across its various businesses, enhancing the Group's ability to become a full-system solutions provider.

Today, SMG is a US$ 9.1 billion international Group, currently present in 33 countries, with over 230 facilities across the globe, employing more than 100,000 professionals worldwide, across North America, South America, Europe, South Africa, the Middle East, Asia Pacific and Australia. SMG has continuously expanded its business verticals to include a wider choice of products and services for its growing customer base. Our business portfolio comprises of electrical distribution systems (wiring harnesses), rear view mirrors, polymer processing, injection moulding tools, elastomer processing, modules and systems including cockpits and instrument panels, door trims, bumpers, lighting systems, air intake manifolds, pedal assemblies, HVAC systems, machined metal products, IT services, engineering and design, CAE services, cabins for off-highway vehicles, environment management systems, cutting tools, thin film coating metals, and aluminium die casted products.

The Group has also invested in technologies that provide manufacturing support, including compressors, paint coating equipment, auxiliary equipment for injection moulding machines and automotive manufacturing engineering services.

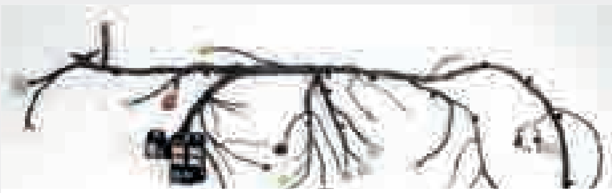
SMG supports its customers right from the initial stages of product development including conceptualisation and design, through to prototyping and tool manufacturing, and finally production and delivery. The Group has the ability to provide end-to-end solutions to its customers across its product verticals. The resulting performance creates value for customers and hence trust, which leads them to ask SMG to do more – leading to increasing "content per car". Further, SMG has expanded its presence and enhanced its leadership position in the market through a combination of steady organic growth, joint ventures and strategic acquisitions.

Apart from receiving orders worth billions from our customers every year, SMG receives several customer awards each year which essentially signifies the trust and recognition that customers place in the Group. The synergies within the Group have helped MSSL to reach greater heights.

"SMG is a US$ 9.1 billion international Group, currently present in 33 countries, with over 230 facilities across the globe, employing more than 100,000 professionals worldwide."

Chapter 5

Group business portfolio.



01 Wiring harnesses

The Group makes wiring harnesses primarily for the automotive industry, catering to diverse vehicle segments. It is one of the most vertically integrated verticals. It also offers solutions for commercial and off-road vehicles, rolling stock and other industrial applications such as specialised medical equipment globally.

02 Rear view mirrors

The Group is among the world's major producers of rear view vision systems for the automotive industry, and supplies interior mirrors, exterior mirrors and camera-based detection systems to almost all major OEMs.

03 Polymers and modules

Polymer modules & components include some of the most integrated solutions supplied to the customers. The Group is a Tier One supplier of interior and exterior modules and polymer parts to the automotive industry worldwide.

04 Elastomers

The Group supplies a wide range of elastomer based solutions and products to a spectrum of industries, including automotive, medical, home appliances, and for general industrial applications.

05 Metal working

The metal working group offers cutting tools, gear cutting tools, precision metal-machined components and products such as sintered metal parts, aluminium die casted products, and thin film coating services to a wide spectrum of customers.

06 IT , software and technology

This division provides critical support to all other businesses of the Group, by serving their IT needs and supporting product development, validation, prototyping, CAE services, tool design, etc. Apart from this, it serves the global customer base outside the Group as well.

07 Manufacturing support

The Group facilitates its customers' manufacturing related needs by offering a wide range of products and services such as air compressors, paint coating equipment, auxiliary equipment for injection moulding machines, and automotive manufacturing engineering services.

Proud to be part of the Samvardhana Motherson Group.

Motherson Sumi Systems Limited.

Motherson Sumi Systems Limited

Motherson Sumi Systems Limited (MSSL) is the flagship company of the Samvardhana Motherson Group (SMG) and is a listed entity. The company has evolved into a full system solutions provider and caters to a diverse range of customers in the automotive and other industries across Asia, Europe, the Americas, Australia and Africa.

The company offers a wide range of products, and is among the leading manufacturers of automotive wiring harnesses, passenger car mirrors, and plastic components and modules such as cockpits, bumpers and door trims. It also has a growing presence in a broad range of other polymer, elastomer and metal-based parts and systems.

Whether it is foraying into a new product vertical, setting up a new plant or pursuing further quality enhancements, the company consistently works to ensure that the customers' needs are met because it believes that creating value for them is what drives its returns and profits, not the other way around. The company philosophy is summarised in the value creation circle on the right (page no.-17).

MSSL has had successful partnerships with several global technology leaders over the years, which coupled with its own R&D, has enabled it to take new and innovative technologies to developed and growing markets, and further enhance its competencies by adopting global best practices. The company has built state-of-the-art facilities and infrastructure, and works constantly to improve its operational efficiency and productivity.

All of this is done with a single aim - complete satisfaction for all the customers. It is the customers that drive all the plans and actions, and the company works with their best interests in mind to deliver the best possible solutions.

MSSL is currently focused on Vision 2020, the fifth five-year plan, with the aim to expand as well as consolidate operations in parallel. With over 180 facilities across 33 countries, MSSL offers global proximity to its customers, following them wherever they need it in the product categories they require. With this, MSSL hopes to continue to support its customers in their growth and further strengthen its relationships of trust.

It is the customers that drive all the plans and actions, and the company works with their best interests in mind to deliver the best possible solutions."

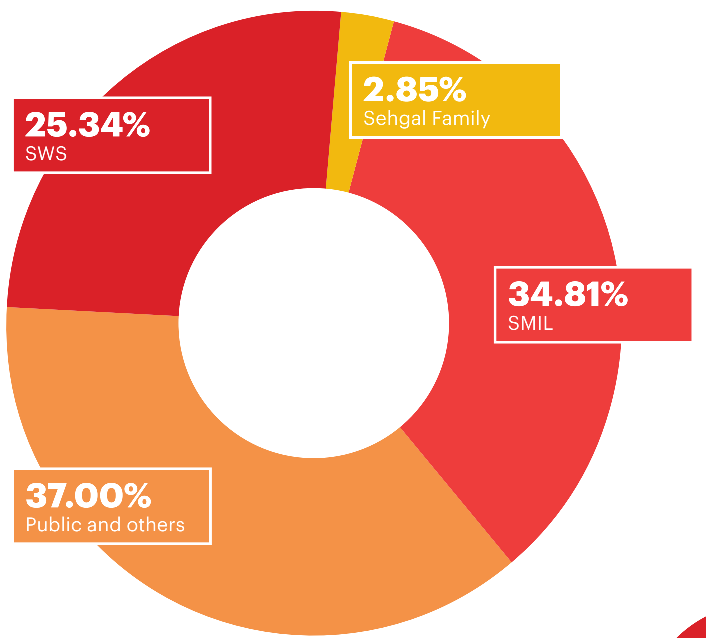
MSSL Value Creation Circle

How we create value for stakeholders

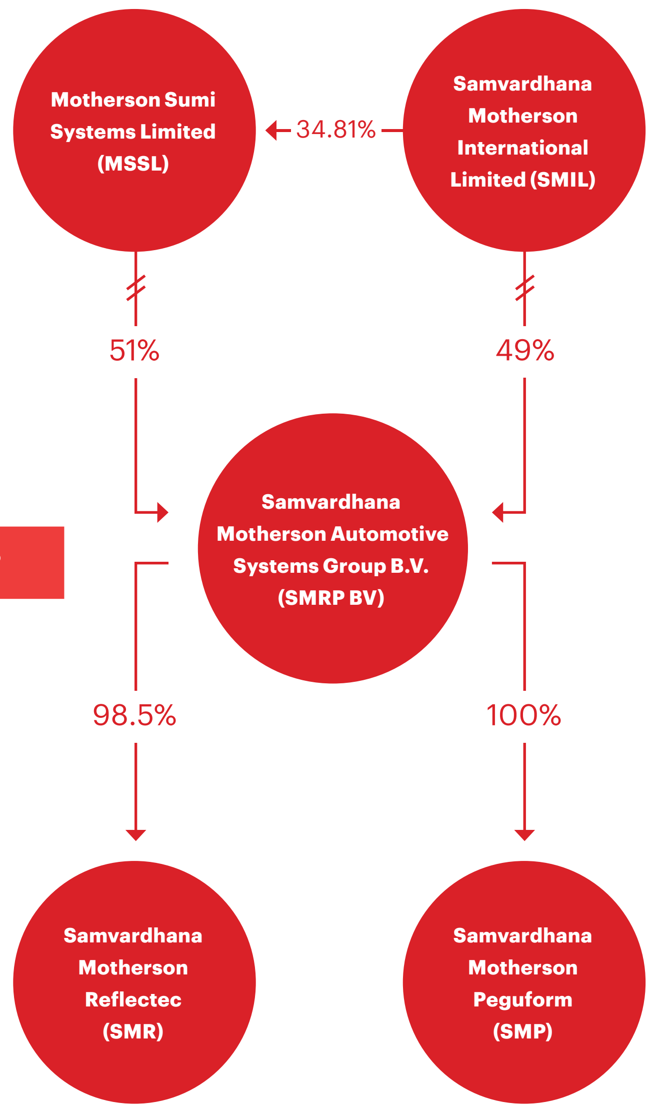
**Quality, Cost, Design, Delivery, Management, Safety, Environment, Sustainability.*

MSSL shareholder structure.

MSSL shareholding pattern
as on 31.03.2017



MSSL shareholding in major subsidiaries*
as on 31.03.2017



*This is not a legal structure   : Indirect Holding

Our vision, mission and values.

Vision

To be a globally preferred solutions provider

Mission

- Ensure customer delight
- Involve employees as "partners" in progress
- Enhance shareholder value
- Set new standards in good corporate citizenship

Values

- Be a lean, responsive and learning organisation
- Continuously improve to achieve world-class standards and total customer satisfaction
- Proactively manage change
- Maintain high standards of integrity and safety
- Ensure a common culture and a common set of values throughout the organisation
- Recognise individuals' contributions
- Develop stronger leadership skills, greater teamwork and a global perspective
- Constantly upgrade skill levels across the organisation through knowledge sharing programmes

Vision 20 20

The fifth 5-year plan.

1

USD 18 billion FY 19-20

(Revenue)

2

40% ROCE

(Consolidated)

3

3CX15

3CX15 means no country, customer or component should contribute more than 15% to our revenues

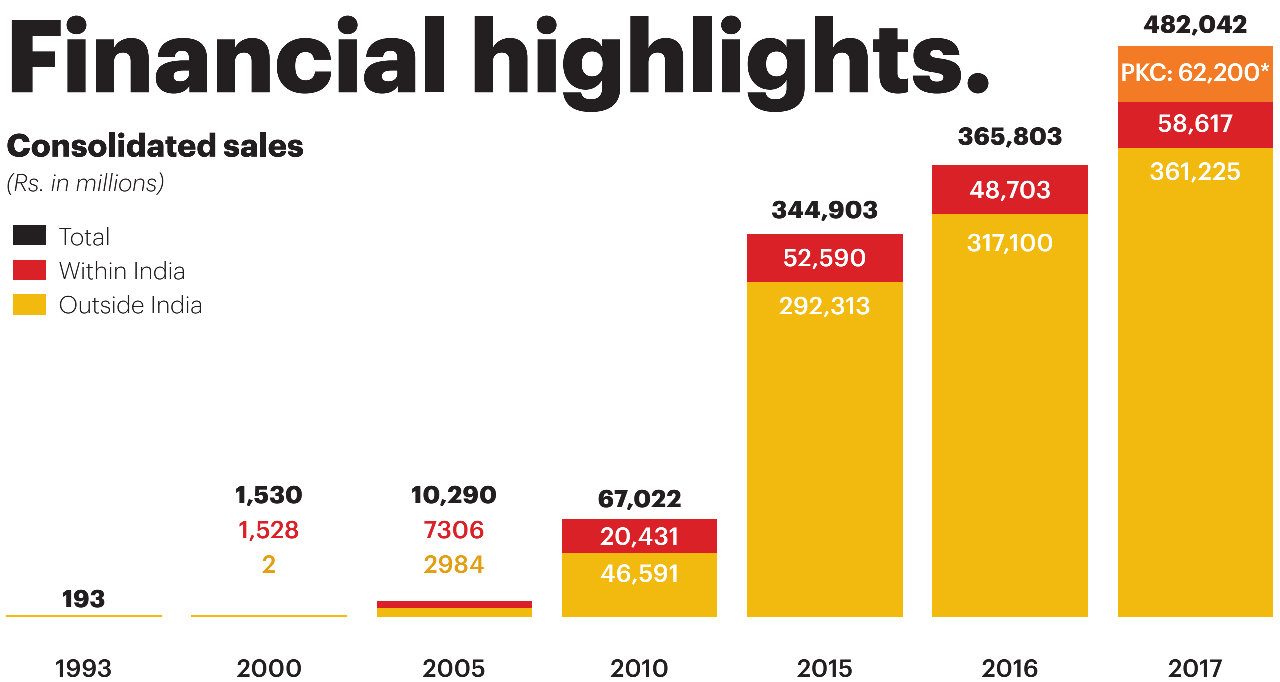
4

40% of consolidated profit as dividend

Financial highlights.

Consolidated sales

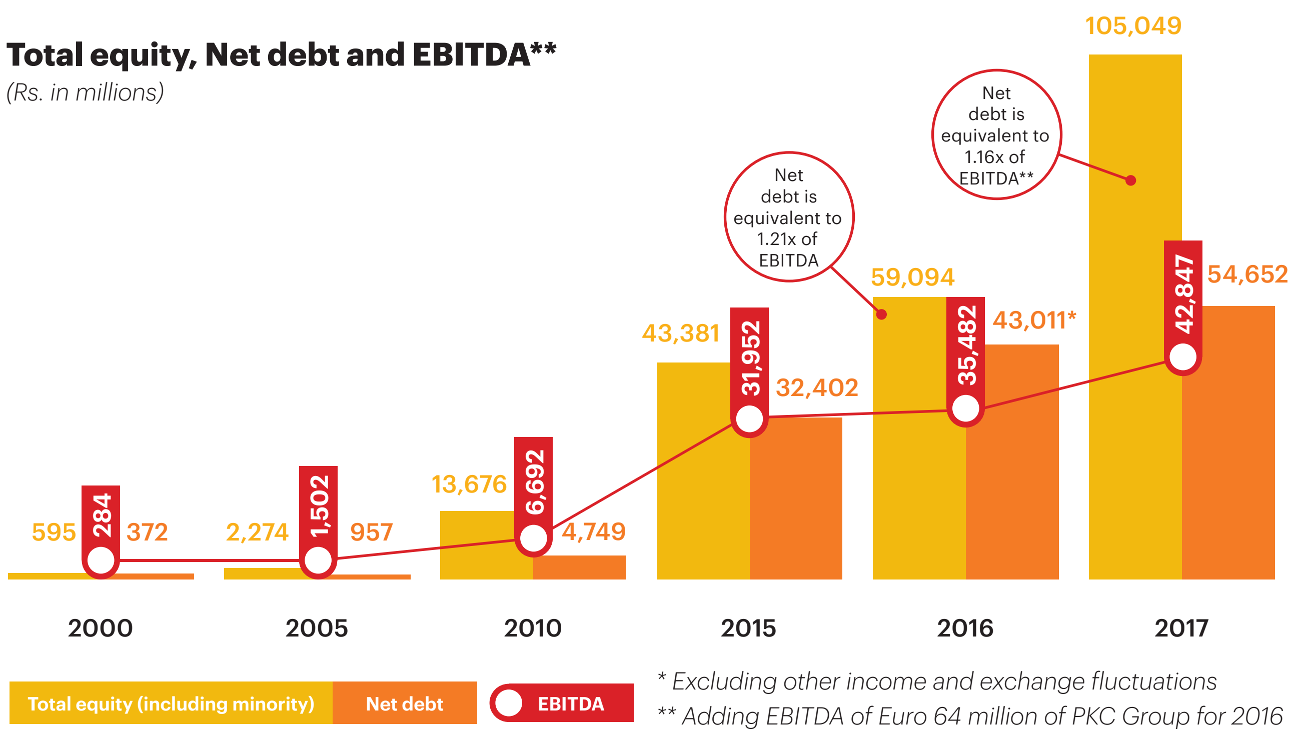
(Rs. in millions)



*Revenues of PKC group (acquired at the end of March 2017) of Euro 845.67 million for 2016 on performa

Total equity, Net debt and EBITDA**

(Rs. in millions)

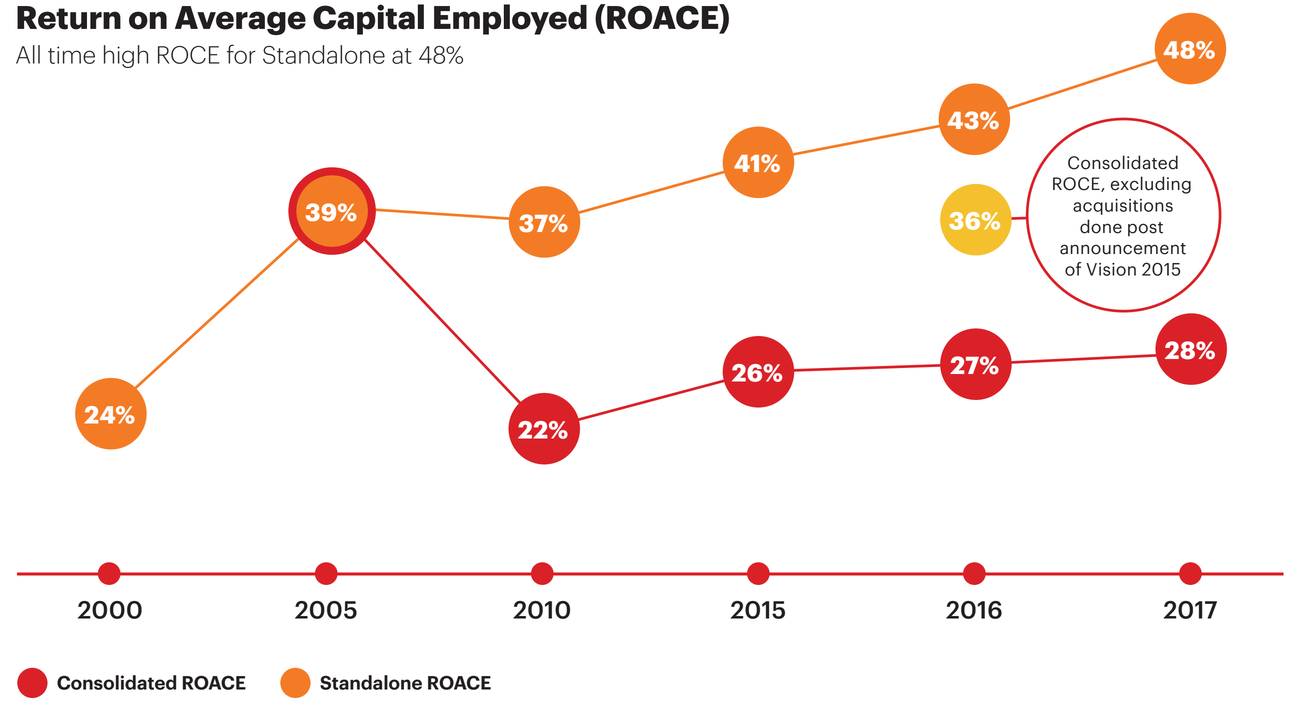


* Excluding other income and exchange fluctuations

** Adding EBITDA of Euro 64 million of PKC Group for 2016

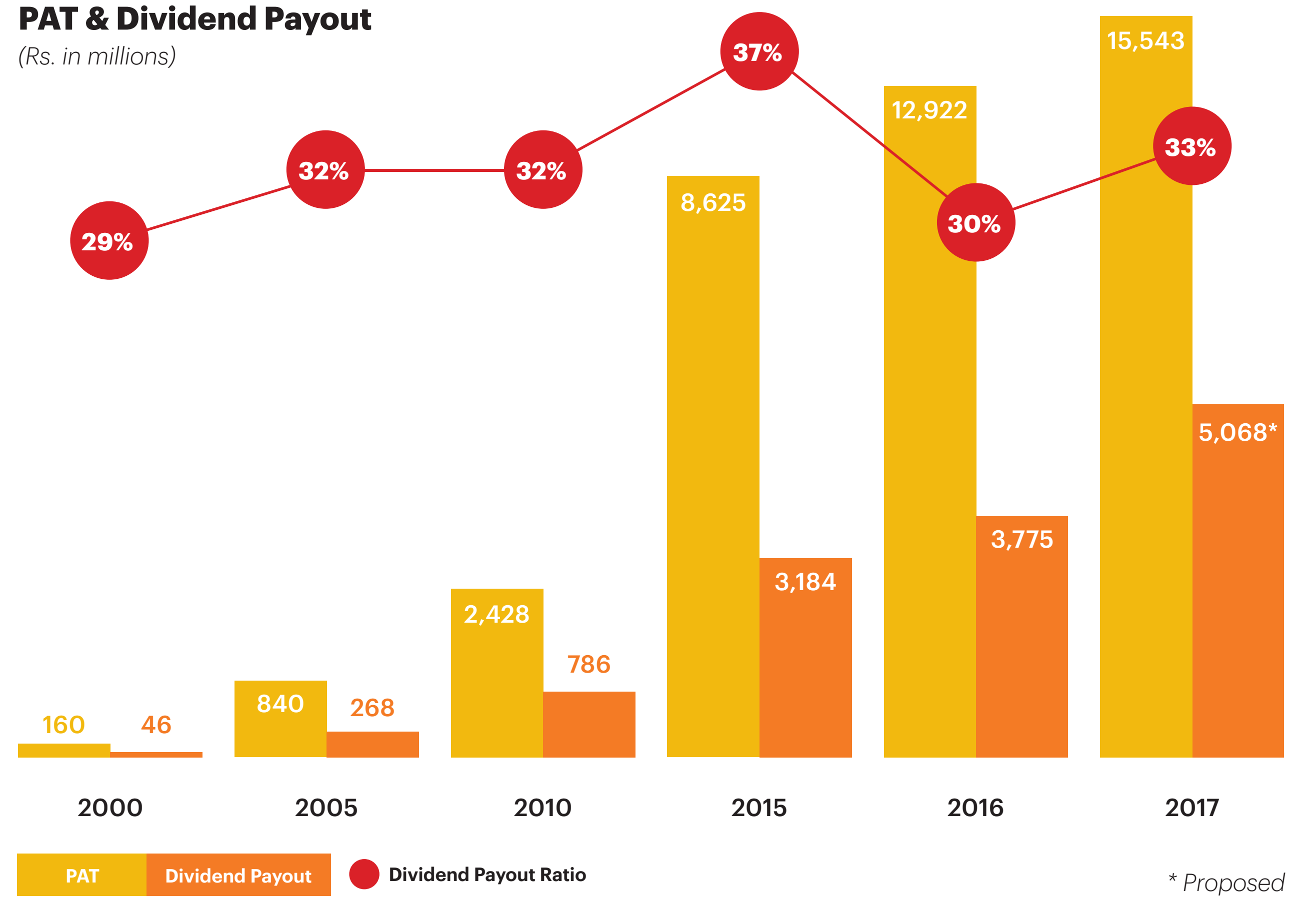
Return on Average Capital Employed (ROACE)

All time high ROCE for Standalone at 48%



PAT & Dividend Payout

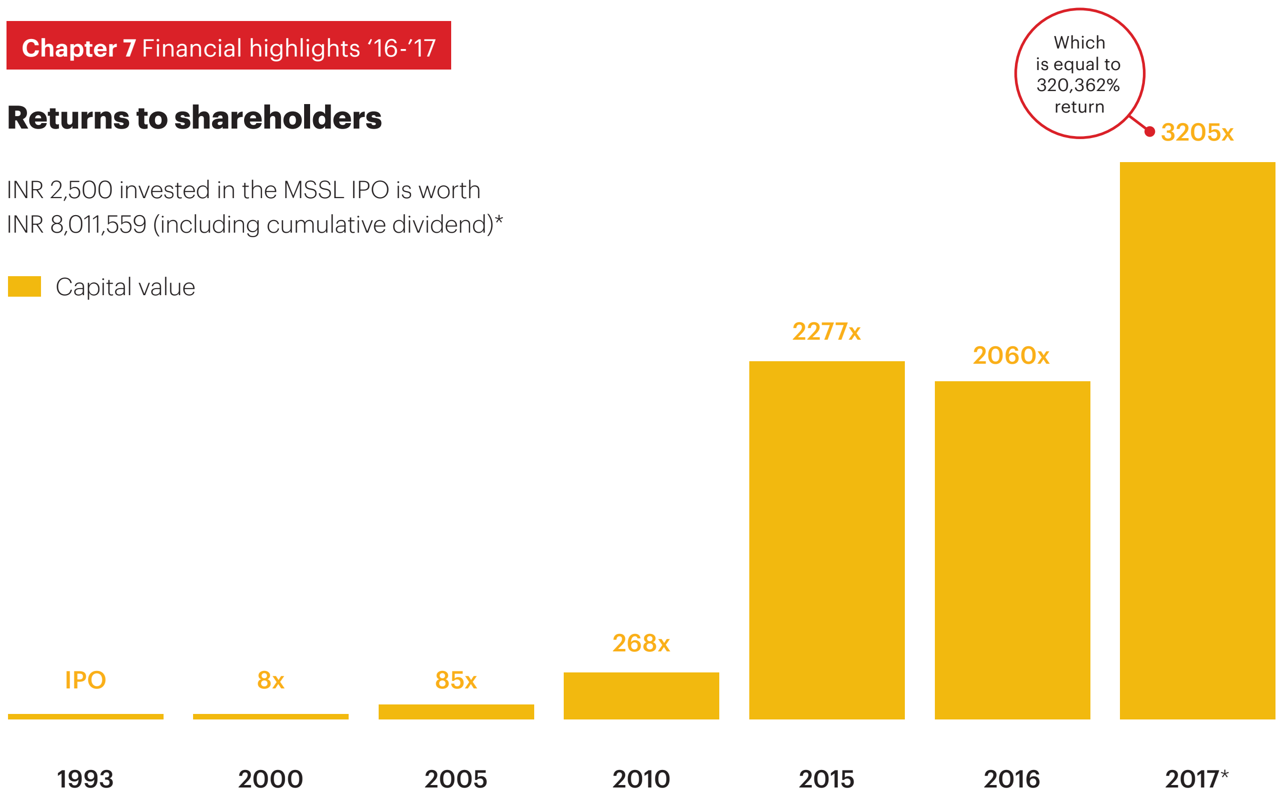
(Rs. in millions)



* Proposed

Returns to shareholders

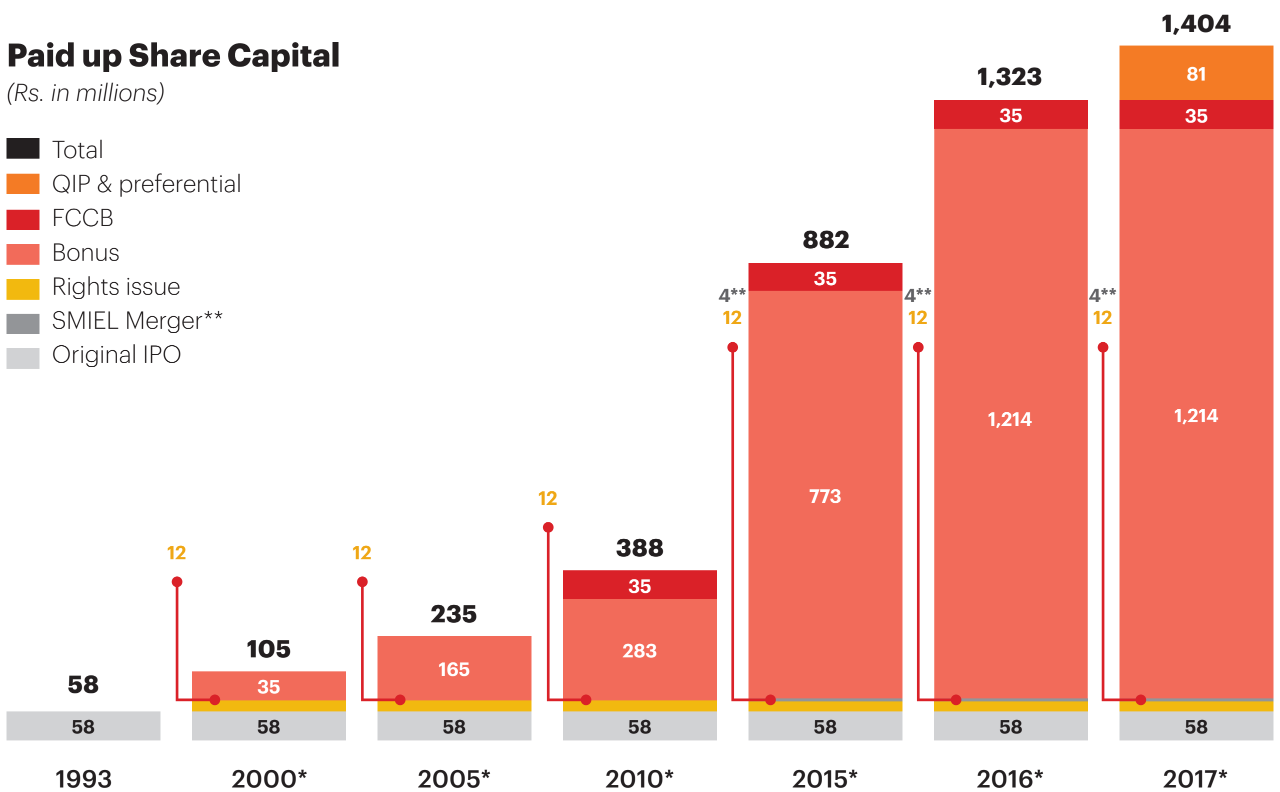
INR 2,500 invested in the MSSL IPO is worth INR 8,011,559 (including cumulative dividend)*



*As on 31.05.2017, including proposed dividend for March 2017

Paid up Share Capital

(Rs. in millions)



*As on 31st March of corresponding financial year

Creating value for all stakeholders.

Chapter 8

MSSL business overview.

MSSL is a specialised full system solutions provider to automotive and other industries, offering services from design and prototyping to production and delivery of solutions across a wide range of products.

MSSL believes that in order to drive profits and financial returns, one must create value for the customers. It is always true to the product and offers the best possible solutions at competitive costs. As a testimony to this value, Motherson not only receives customer orders worth billions every year, but also receives numerous customer awards each year. The trust circle also creates more and more value for joint venture partners and various suppliers around the world. MSSL has a strong and growing presence in wiring harnesses, rear view mirrors, polymers and modules, and other businesses.

Wiring harness division

MSSL's inception was with the onset of the wiring harness business in 1986, as a joint venture with Sumitomo. The collaboration with Sumitomo started in 1983 when Motherson was asked to supply wiring harnesses to the first car model from Maruti, India's "people's car". Today, MSSL is a leading supplier to all major OEMs in India, from passenger cars to commercial vehicles, two-wheelers, three wheelers, off road vehicles, farm and agricultural equipment, and material handling equipment. The latest addition to the wiring harness business is the PKC Group, a global wiring harness maker in the commercial vehicle segment, that MSSL acquired in March 2017. This acquisition makes MSSL a market leader in the wiring harness business

for heavy duty commercial vehicles in the North American and European markets with a growing presence in China and Brazil. It also marks MSSL's entry in the area of solutions to the rolling stock segment.

Mirror division

Samvardhana Motherson Reflectec (SMR) came into being when MSSL's top management unanimously decided to acquire Visiocorp, a global mirror supplier. The board was comforted by the fact that MSSL had a running joint venture with Visiocorp in India since 1996, so the familiarity with the operations and customers was already there. SMR has delivered a spectacular 47% ROCE in 2017. The mirror division of MSSL is one of the largest manufacturers of mirrors for passenger vehicles in the world. It manufactures exterior and interior mirrors, mirrors with integrated lighting and turn signals, blind spot detection systems, telescopic trailer tow mirrors, as well as other rear view vision technologies including cameras and sensors that help make driving safer.

Polymers and modules

MSSL already had a niche presence in India, South Africa, Germany & Czech Republic for polymer products and components. In 2011, seeing the successful undertaking of SMR, customers asked Motherson to look at Peguform (later renamed to Samvardhana Motherson Peguform (SMP)) – a global plastics component supplier. Polymers and

modules together form the largest business line of the company. The division encompasses high-level polymer modules as well as process and tooling operations for interior, exterior and under bonnet components for various vehicle segments. The division's product line includes a full range, from smaller components and assemblies to cockpits and instrument panel modules, door trim modules, centre consoles, full body panels and pillar trims, bumper modules and fascia, frontend modules and carriers.

Motherson Innovations

This is the newest business line in the company. Motherson Innovations combines the best competencies from across MSSL in the field of R&D to offer new technologies to customers that will help them make the transition to building cars of the future.

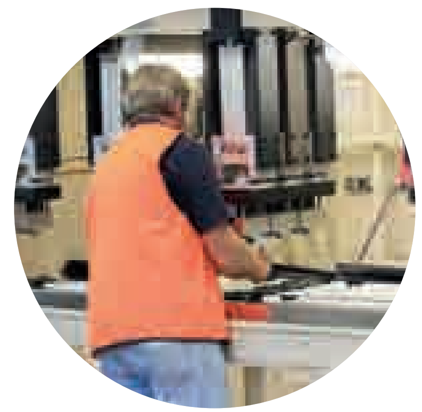
Motherson Innovations combines the current interior and exterior products of the Motherson Group with the new technologies that are making cars more connected and more autonomous. Motherson has a strong technical and research base with 24 design centers and over 900 patents.

Other businesses

MSSL also provides a wide range of solutions for elastomer processing and metalworking, catering to a variety of industries, including automotive, medical, home appliances and general industrial applications, as well as IT hardware.

Elastomer processing

The elastomers business offers multiple solutions, including rubber injection moulding of a wide range of components primarily to the automotive industry, including grommets, boots, bellows, gaskets, seals, water strike back valves,



damper rings, nozzles, and rubber-to-plastic and rubber-to-metal products. It has strong capabilities in developing rubber compounds, with over 19,000 formulae for a wide range of applications, as well as a non-tyre related rubber mixing plant.

The division also manufactures bonded components and extruded rubber profiles, supplying mainly for automotive products, and a spectrum of other industries.

The elastomers division operates through subsidiaries and other entities, with facilities across India and Australia.

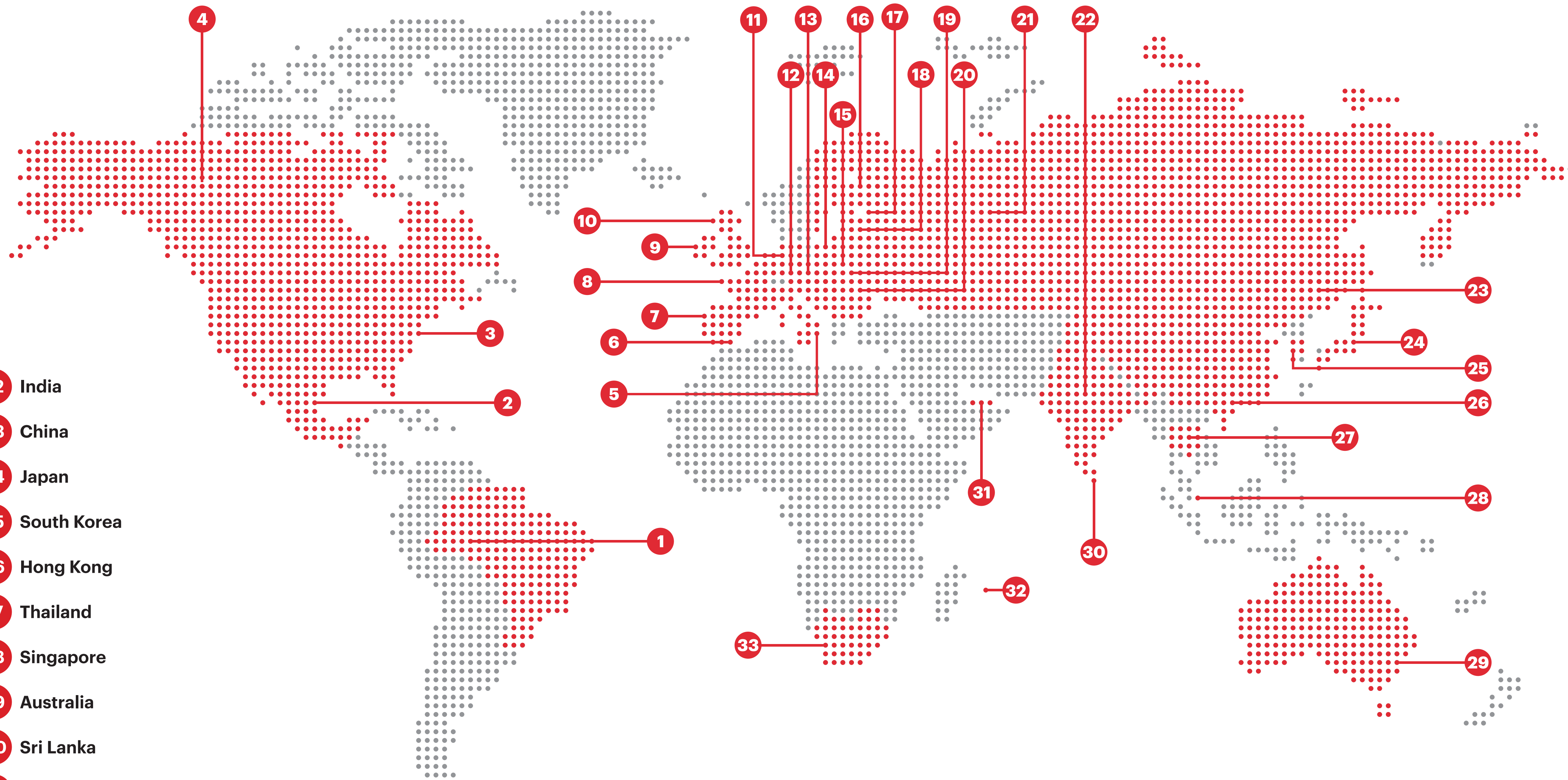
Metal working

The MSSL metal working division

specifically produces precision metal machined components specialising in metal turning and plastic metal combined parts. It offers total metal machining solutions for various industries including scientific and engineering applications. These businesses have facilities across India, Germany and Mexico.

MSSL global locations.

1 Brazil
2 Mexico
3 USA
4 Canada
5 Italy
6 Spain
7 Portugal
8 France
9 Ireland
10 UK
11 Netherlands
12 Germany
13 Czech Republic
14 Poland
15 Slovakia
16 Finland
17 Estonia
18 Lithuania
19 Hungary
20 Serbia
21 Russia
22 India
23 China
24 Japan
25 South Korea
26 Hong Kong
27 Thailand
28 Singapore
29 Australia
30 Sri Lanka
31 UAE
32 Mauritius
33 South Africa



Introduction to PKC GROUP.

PKC GROUP

This year, MSSL took over the Finland based wiring harness specialist PKC Group Plc for approximately Euro 571 million. In January 2017, MSSL published a voluntary public tender offer for all PKC shares and option rights. The acquisition was completed in March 2017. Currently, the final squeeze-out process for minority shareholders is in process. After that, PKC will be delisted from the Finnish stock exchange.

Through the acquisition, MSSL realises a significant expansion into the American and European commercial vehicle markets – a segment in which it was not yet strongly represented. There were several key reasons MSSL decided to acquire the PKC Group:

- PKC has a very differentiated product profile and minimal overlap with MSSL's geographical presence, hence the acquisition is the perfect way to enhancing global reach in line with MSSL's 2020 targets.
- PKC Group's unique product offering for complexity management and customer-driven focus, strengthens MSSL's ability of being a preferred solutions provider through full system solutions and vertical integration.
- The addition of PKC Group makes MSSL a stronger player within the worldwide transportation component solutions market. It allows MSSL to create more value for customers, strengthening the total value proposition.

With PKC Group, MSSL provides customers with more solutions, at more locations benefitting from synergies, vertical integration, innovation and new technologies, and a stronger global reach.

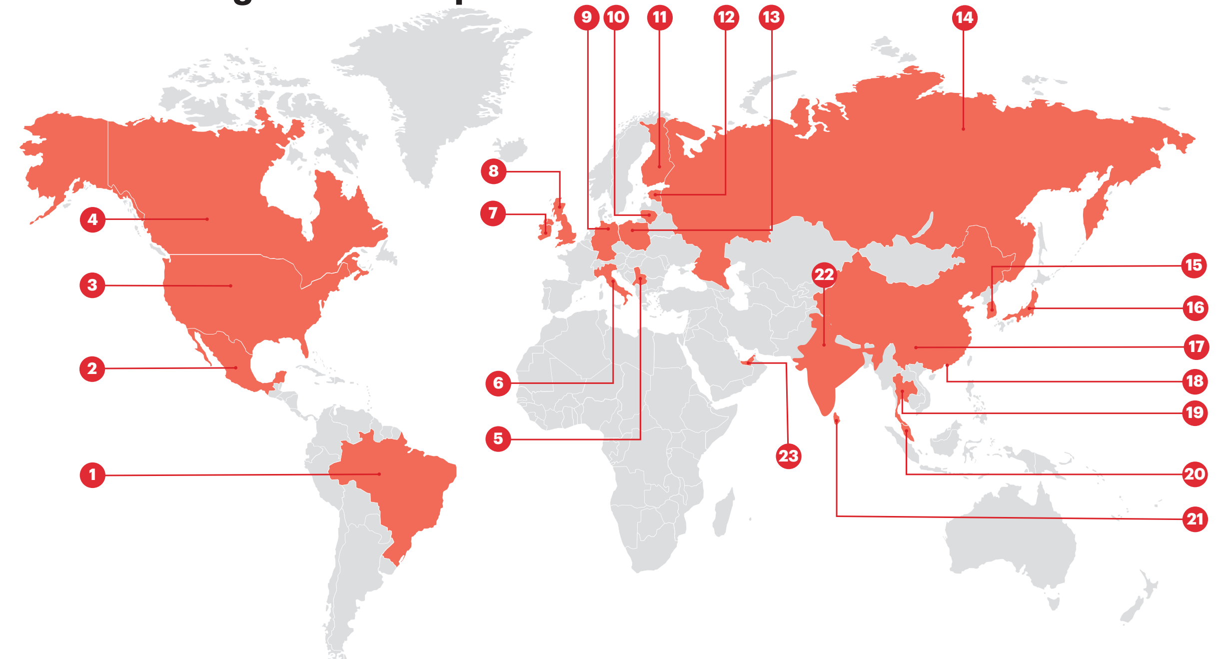
With the acquisition, MSSL has taken a step further towards creating a world-leading wiring harness and component manufacturing company to serve the global transportation industry. MSSL's presence will strengthen PKC's competitive position further, through greater scale and breadth of capability to serve its customers while providing management and employees with enhanced opportunities across the larger combined group. This is an exciting development for all employees, offering new opportunities in many areas to create more value for customers globally.

PKC - a diversified customer base

"By combining both companies the target is to create a world leading wiring harness and component company to serve the transportation industry."

PKC is a people-driven company. Its uniqueness involves employee expertise, internal processes, systems and intellectual property.

Combined wiring harness footprint



Combined wiring harness footprint

1 Brazil
2 Mexico
3 USA
4 Canada
5 Serbia
6 Italy
7 Ireland
8 UK
9 Germany
10 Lithuania
11 Finland
12 Estonia
13 Poland
14 Russia
15 South Korea
16 Japan
17 China
18 Hong Kong
19 Thailand
20 Singapore
21 Sri Lanka
22 India
23 UAE

PKC Group today

PKC designs, manufactures and integrates electrical distribution systems, electronics and related architecture components to the main global commercial vehicle and specialty products group manufacturers. In addition, PKC designs and manufactures electrical cabinets and power packs for leading rolling stock manufacturers.

In 2016, the Group's revenue was EUR 845.67 million from continuing operations, with a global staff of 20,426 people across 12 countries. PKC Group Plc is headquartered in Helsinki, Finland and operates 19 manufacturing, 18 customer support and 3 NPI centers around the world. To coordinate its operations and serve its customers, PKC group has four regional headquarters – Farmington Hills, Michigan (USA), Curitiba (Brazil), Tallinn (Estonia) and Hong Kong (China). Rolling Stock business is managed globally from Czaplinek, Poland. Together, these offices provide customers with a worldwide production and service network based on strong and often long-lasting partnerships built with customers.

As a reflection of the trust PKC Group enjoys, the company is very proud to have received a range of awards from customers every year, reflecting its ability to meet its customers' expectations as a key supplier. The vision is to be the preferred supplier in electrical distribution systems for the whole transportation industry globally. The strategic initiatives, in line with the vision, include: developing PKC uniqueness further, maximizing the current set-up, penetrating the APAC region and exploring opportunities to expand further within the global transportation industry.

PKC history

PKC's story began when a company called Pohjolan Kaapeli Oy, then a subsidiary of Nokia, established a wiring systems factory in 1969 in Kempele, Finland. In the decades that followed, this small Nordic operator grew into a successful global corporation and a trusted and acknowledged partner in the global commercial vehicle industry. In 1997 PKC was listed on the Helsinki Stock Exchange with an annual revenue of EUR 66 million. A year later, in 1998, PKC's first foreign factory was opened in Brazil. During 2002-2005 PKC started production in Estonia and Russia through acquisitions, and opened its first factory in China.

In 2008, the acquisition of the MAN Nutzfahrzeuge AG's cable harness business brought a significant addition to PKC's customer base as MAN Group became PKC's customer based on a long-term supplier agreement signed at the same time.

In 2011, PKC continued to grow through the acquisition of SEGU and AEES. AEES was one of the leading North American wiring harness manufacturers for heavy and medium duty trucks and it also had a significant position in light vehicle wiring harnesses.

In 2013, PKC Group decided to establish a new wiring systems factory in Smederevo, Serbia, and in 2014 also established a new wiring harness company in Panevezys, one of the larger cities in Lithuania. In line with its growth strategy, in 2015 PKC expanded with the acquisition of Groclin's rolling stock electrical distribution systems. The deal strengthened PKC Group's product portfolio and customer base to cover rolling stock manufacturers. In 2016, PKC signed a significant global partnership agreement with Bombardier Transportation related to electrical systems deliveries.

In 2015, the strategy to enter the Asian-Pacific region (APAC) received a big boost when PKC announced an agreement to create a joint venture with Jiangsu Huakai Wire Harness Co. Ltd. in China. The second joint venture with JAC in China was announced in 2016.

PKC Group product portfolio

PKC Group offers a broad portfolio of products to support the electrical architecture of commercial vehicles and rolling stock. The electrical architecture in commercial vehicles and rolling stock is becoming ever more complex. PKC provides customers industry-leading expertise and full-service design capabilities. The company delivers tailored, cost efficient solutions for a variety of customer needs.

Electrical Distribution Systems

PKC supplies electrical distribution systems, for power supply and data transfer, for heavy trucks, light vehicles, buses, and recreational vehicles as well as for construction, forestry and agricultural equipment. The company combines deep know-how with cost-efficient manufacturing. PKC offers superb management of the order-delivery chain, for example through Syncro-order processing – a unique system in which manufacturing, testing and delivery are timed to the minute according to customer needs.

PKC has developed data management processes and tools in-house, which ensure seamless data transfer from the customer's systems to PKC´s design and production systems. With its Safe Launch concept, the company ensures smooth changes and product launches in the customer's production. This frees-up the customer's own resources and expedites the introduction of products to the market. The combination of these elements is the core of PKC Uniqueness, a unique know-how of managing the complexity of individually tailored products and thousands of product variants.

Wiring harness components

PKC develops a wide range of components. It combines its specialized design and manufacturing capabilities, advanced technologies and industry expertise to ensure that customers get the best product for their specific needs.

PKC components product groups include the following.

- *Power Distribution Centres.*
- *Connection Systems.*
- *Terminal Systems.*
- *Routing and Retention Aids.*
- *Smart Power Distribution Centres (sPDC).*
- *Fuseboxes.*

Wires and cables

PKC´s brand, DixieWire, is a full-service wire and cable provider. For over 50 years, DixieWire has maintained a reputation for innovation and quality. DixieWire offers product groups of insulated and non-insulated wire, multi-conductor cables, and battery cables. Dixiewire products are distributed to a variety of industries, including: automotive, commercial vehicles, recreational vehicles, lighting, white goods and HVACs.

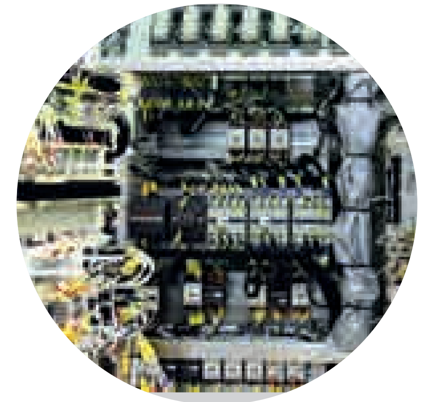
Electrical Cabinets and Power Packs

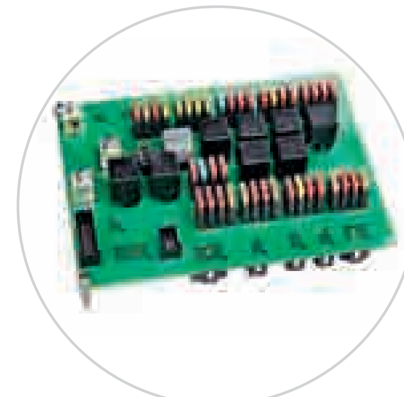
PKC's Rolling Stock business develops and manufactures electrical cabinets, power packs and other components for rolling stock, energy, industry and material handling customers. It also manufactures electrical distribution systems for rolling stock, energy, industry, material handling companies and the on/off highway commercial vehicle industry.

Electrical cabinets and power packs applications include passenger trains, light rail vehicles, metros, locomotives, wind energy, port solutions, machine constructors and stationary power systems. Customers are mainly global, leading companies in their field.

Vehicle Electronics

Electronics play an ever more important role in vehicle components and systems. PKC is a partner in designing and manufacturing cost-efficient and reliable solutions for vehicle electronics for its customers. It has years of experience in developing and manufacturing high current and power electronics systems for industrial and telecommunication



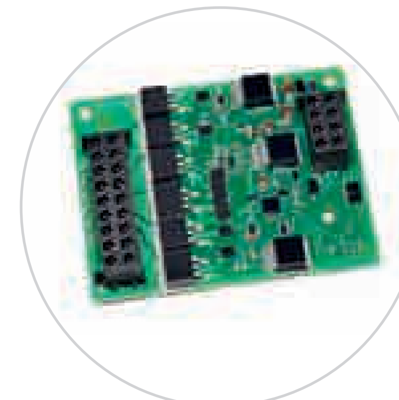


industries. It has transferred the expertise gained from these projects to the area of vehicle electronics.

DC/DC converters, battery management systems and power distribution centres are examples of the product areas where PKC is working very closely with customers, to develop solutions which are optimized for the customer's requirements. The company is involved in the following product areas for the commercial vehicle industry: power distribution centres (PDCs), fuseboxes, electronic control units, battery management systems, DC/DC converters, and timer- and flasher relays. PKC's experts support customers in all technical questions, from the first ideas, testing and validating, manufacturability optimization, all the way to serial production.

New Product Introduction

To further develop the competitiveness and capabilities of its global manufacturing operations and to ensure successful new program ramp-ups, PKC has established New Product Introduction (NPI) centres in Europe, North America and Asia. The objective of the NPI centres is to ensure seamless customer program ramp-ups from the early design phases to the final,



full mass production phase as well as to improve existing manufacturing processes.

Laksh Vaaman Sehgal, talking about Motherson Innovations.

Talking Innovation.

Motherson Innovations (MI) was set up with a clear Group-wide focus. In the words of Vaaman Sehgal: "This Group wide focus allows Motherson Innovations to pick and choose the best competencies and solutions in all the Group companies and make one project in order to deliver a complete solution to our customers. And we can do that in ways the individual companies would not be able to do independently." By standing on each other's shoulders, we reach further together.

Since its incorporation in early 2016, Motherson Innovations has focused on several immediate priorities of collaboration within the Group. These include the ongoing trend towards camera monitoring systems applications and increasing driver assistance features for SMR.

With operating divisions, such as SMP and SMIA, dialogues have also started on their future needs and the early stages of projects like the cockpit of the future.

In Australia, Motherson Innovations supports MSSL companies to diversify their business, and strengthen their operations. This includes advanced surfaces and lighting technologies for supply within the global automotive and other industries. Furthermore, Motherson Innovations works to create innovative point-of-care devices for the medical industry and works on other diversification projects, together with research institutions and the support of the Australian government.

Making the company leading edge

To strengthen the young organisation, this year processes have been introduced to systematically rate technologies and assess new opportunities. This not only helps MI directly, it also provides a valuable regular input to the M&A team that investigates opportunities for the Group.

As the scope of work for Motherson Innovations continues to take shape, a clear need to strengthen the organisation with key competencies and increased geographic presence has emerged. MI has therefore, been bringing new technical experts into the team and improving the management structure and depth. This includes the recent addition of a new Chief Technology Officer (CTO). The CTO will be based in the USA, with increasing focus on and access to Sillicon Valley, where a lot of automotive innovation is now taking place. This strengthens MI's presence in the USA. The CTO will also work closely with the EVP of Business Development, based in Europe, the existing MI team and the wider Motherson Group network, thus increasing MI's global reach.

To further develop the strategic direction, Motherson Innovations is focused on fully understanding industry trends and their relevance to Motherson, as well as the risks and opportunities they create for MSSL as a whole. For example, the convergence of the transportation industry with information technology will create completely new mobility solutions of the future.

The trends towards information technology, connectivity and various levels of autonomy in transportation are creating new ways consumers will use their mobility time. User expectations are changing from the dynamic performance of the vehicle - such as how fast a car can accelerate - to the interior experience, such as the number of USB ports it has or how fast the vehicle connects with your smart phone.

This presents many opportunities for new products and added content, so Motherson Innovations wants to be truly visionary and think beyond the Group's current capabilities. The opportunity in the automotive industry for tier 1 suppliers is to shift the value creation to not only producing hardware but also developing increased functionality with embedded intelligence and customisable features. MSSL as a whole is adapting to those changes. Our products and offerings will continue to evolve into intelligent systems and modules to meet the changing market needs, and therefore continue to be relevant to the OEM customers and end users. With existing product lines, MSSL already has access to the key "real estate" in cars and other vehicles, with the ability to provide the interconnection of features through its wiring harness businesses. This creates the environment in which we will play an important role as a supplier of products and modules with increasing content.

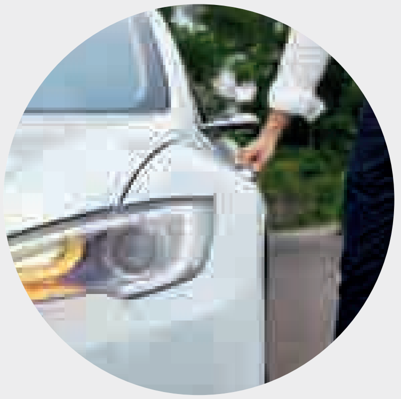
Current focus

The current focus of our strategy deployment is on sensor technologies and Human Machine Interface (HMI) solutions for interior and exterior products and modules. Ultimately connecting these technologies into systems will allow us to continue with our goal to be a globally preferred solutions provider for our customers.

We are working on further incorporating and developing the required knowledge and expertise for our business, at a time of highly dynamic and fast-paced technological change. For example, increasing electronics and software capabilities. At MSSL one of the mantras we apply to our work is **B**y **y**ourself, **B**etter **y**ourself (**ByBy**) - meaning, benchmarking oneself for better perfomance. However, we know that no one company can meet the challenges of the technological transformation alone. Therefore, we are connecting the group as it grows to leverage the expertise we have. In parallel we are working to increase our network with the right partnerships, to expedite the transition process.

Motherson Innovations is establishing itself as the horizontal link between the various verticals of the Group. It is the centre of our capability network, innovating today for our tomorrow.

Our products and offerings will continue to evolve into intelligent systems and modules to meet the changing market needs, and therefore continue to be relevant to the OEM customers and end users."



Safety first.

The safety team giving instructions, inspecting facilities and handing out safety items, to make the MSSL work environment more safe everyday.

Safety is a topic that is very dear to us at MSSL. We want to minimize accidents, hazards and risks and guard the health of all our employees. Safety is not just a concern for the safety department, but is a matter of immense importance for all of us. The safety team supports us in this. The team monitors, educates and improves our safety and comes into action when there is a problem. One important activity of the safety team is to raise the awareness of our employees of what practices to follow, and to avoid and prevent unsafe situations. Another activity is to check whether the environment in our plants is safe and healthy for everyone — and to recommend changes if required. Safety improves and ensures the wellbeing of our employees. Thanks to the safety team.

In good hands.

A quality circle team in action, solving shop floor problems, a bottom up approach strengthening our foundation.

Manufacturing of wiring harnesses is a complex workforce intensive process, which is human skill dependent. That is why we put great emphasis on the promotion of Total Employee Involvement initiatives. Quality Circle is one such initiative, where in associates voluntarily form a small group and work on solving issues in their work area on their own. This all-women Quality Circle team from Gurugram, India, makes us proud.

The team has already completed 34 improvement projects in the areas of quality, productivity and safety. And that has enabled them - together with their technical facilitator on the right, to win many awards in various internal and external competitions.

Quality Circle.

The Quality Circle movement started in Wiring Harness division around 1983. The goal was simple: to involve all employees in continual improvement in every process. Gradually, the movement spread to all the units of Wiring Harness Division and over time, customers also began to notice the results.

Now that MSSL is a global company with many divisions, the Quality Circle Movement is also promoted in other divisions. For example, all units of SMR have also embraced the concept and spirit of Quality Circles. So much so, that SMR organised this year's Samvardhana Motherson Quality Circle Convention in London. Here we see six SMR teams that competed.

Six quality circle teams from SMR studying causes and effects in a fish bone diagram. Together they embed the quality movement deeper into our organisation.

A truly global team.

The global wiring harness management team working together, discussing new synergies and opportunities for the division.

The wiring harness management team works as one cohesive team, that takes a global perspective of the business. At the same time, they meet specific requirements of the customers in each geography. The PKC Group management team has recently joined and is now part of the structure. Clearly, this provides new opportunities for supporting customers. Not only is MSSL's offering in the commercial segment now even stronger. PKC also opens up opportunities in rolling stock, which is a segment of the transportation industry MSSL was not yet present in. Together, the wiring harness team will explore the new synergies and opportunities with new energy. Customers have responded favourably to the new combination. And that makes the wiring harness team positive about the future.

Like clockwork.

The wiring harness plant management team optimising processes, that can be transferred when a new plant is set-up.

Plant management teams have expertise across all functional areas. So when a new plant is built, they help ensure that the new facility runs at the required levels right from day one of its operation. One example is the team running wiring harness plant in Bangalore, which has achieved zero PPM for 5 years in a row.

It's an achievement. It is truly amazing to see how they do it. The team that runs the plant, pictured here, is focused on making the operations lean. That way, less can go wrong. They do this by simplifying processes, eliminating obstacles and optimising the inventory for the processes.

As a result, quality is high and delivery is on time. Naturally, this requires tremendous discipline in implementing the practices. Today, the plant runs in sync with the production processes of the customer. So indeed, it is a plant that runs like a precision watch.

Greenfield expansion.

A greenfield team setting up a new plant in Noida, facilitating organic growth.

Setting-up new plants is an art and MSSL's greenfield teams around the world are constantly trying to perfect it. Projects start with a new customer order. And that means that customers usually take great interest throughout every phase of the project, from planning to construction, from production technology installation to making the first pre-series.

Here we see a plant set-up team, building a new facility in Noida, India. But the hardware is only half the story. The other half is all about transferring knowledge, experience and the work culture of MSSL to the new facility. MSSL is good at both and that helps to explains why customers have awarded MSSL with many new customer orders this year.

Chapter 12 Standing on the shoulders of giants

With a little help from our friends.

The plant set-up team in Kesckemét in front of a new moulding machine, almost ready for the first trial production runs.

To achieve our 2020 targets, the ability to set-up new plants efficiently and to the satisfaction of our customers is vital. When SMP received new customer orders in Hungary, it had no presence there, SMP set-up a new plant, near Kesckemét. One of the first things SMP did was call its colleagues at SMR Hungary. After all, SMR has been in Hungary for many years and knows the local landscape well. SMR supported SMP enormously, understanding and handling local requirements. Meanwhile, SMP focussed on installing the technology and getting the first test series ready for the customer. Customer responses have been very positive so far and SMP expects to take the new plant into production soon.

Green power.

The project team inspecting our new energy generator in Neustadt, making our production there more environment friendly.

The customers that SMP serves in Neustadt are not only interested in the quality of the product, timely delivery, etc., they are also interested in how SMP produces its products and what is the impact on the environment.

That is why SMP decided to build an energy facility next to its plant in Neustadt. In the summer, the energy generator helps cool the machines in the plant. In the winter, when cooling is not needed, it generates energy to heat the plant and offices. And year round, it generates enough electricity to support around 10% of SMP's energy needs.

That way, SMP created an energy solution that is better for the environment as well as better for the bottom-line.

Growing together.

The procurement team at SMP ...

... working together with the marketing team at MATE, strengthening our vertical integration.

Vertical integration is one of MSSL's biggest strengths. SMP procures some of the smaller plastic components that go into its products from outside suppliers. That way it can focus on the larger, more complex parts. Some of these outsourced components, however, are exactly the kind of products that MATE specialises in. That is why the procurement team of SMP in Germany (left) and the marketing team of MATE in India (right) made a plan together. The collaboration provides opportunities for both and there is a lot of room for further extending it. Interestingly, this opens new opportunities. MATE and SMP are very complimentary and make an ideal fit. This means, both think they can do more together and help each other in different geographical markets.

Moulding our future.

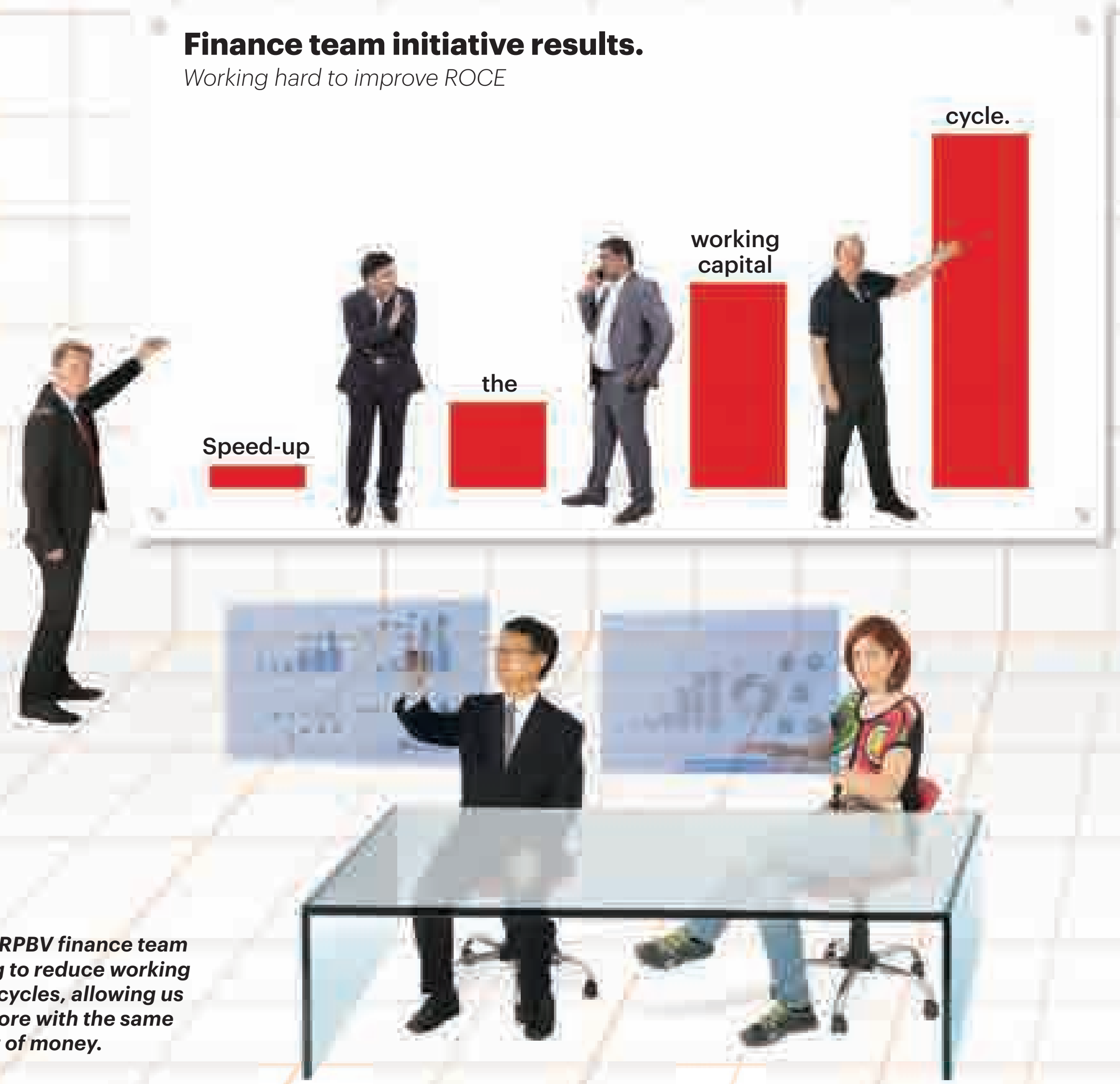
A tooling team at work in our tool room in Noida, which is a key part of our plastics capabilities.

Tooling started in MSSL in the 1990's in India, as an effort towards vertical integration in the wiring harness division, especially, to make high-precision moulds for complex connectors. This was before the government liberalised and opened the Indian economy to the world.

Later on, the injection moulding and tool manufacturing operations grew into an independent business vertical. A barrier had become an opportunity.

Today, tooling has become the backbone of all the plastic moulding operations across our major divisions — whether it is in wiring harnesses, mirrors or polymers. So not only are the tooling teams carrying a long MSSL tradition forward, they are enabling MSSL to create high-quality products for customers, at leading costs, delivered on time.

Speedy working capital.



The SMRPBV finance team working to reduce working capital cycles, allowing us to do more with the same amount of money.

One of the important focal points of the finance team at SMRPBV has been to improve ROCE. One way to do this has been to regularly set-up projects to improve all areas of working capital. One such project has been inventory management, where systems and processes were created to optimise inventory levels to customer requirements. Another successful project has been to improve the collecting of receivables. By launching such projects in a focused and regular manner, the finance team has been able to generate funds to reduce debt levels over time and to improve the overall ROCE. Efforts to improve the top-line and margins, have yielded results for the team to contribute to the overall financial health of MSSL.

Man and machine.

By installing a new robot in Neustadt, the engineering team has helped improve product quality for customers and ergonomic conditions for the staff.

SMP Neustadt wanted to increase speed and reduce the chances of errors in the welding process, the screw fitting process and the clipping process. Therefore, robots were introduced to do that work. Moreover, smart engineering by the team led to dramatic space reduction. Together, man and machine can now handle more than 10 types of door panels for a total of 6 car models at the same time.

The robots also help each other. When one needs maintenance, the others take over its work. The employees who previously did this work have been re-assigned to more interesting and less repetitive tasks like quality checking and packaging. Ergonomic improvements at the work place has made the work easier on the body. So both man and machine are more happy and more productive.

Spreading best practices.

Best practices teams from Indian and Mexico working together, to transfer lessons learned from one plant to another.

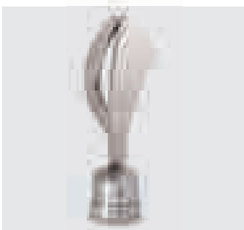
The best practices team does what it says on the tin: it collects and exchanges skills and knowledge about shop floor management between units. Sometimes these units are in different countries. For example, the Indian team worked with a team from Mexico. First, they explained how the Indian plants are being run. Then they helped to train the trainers in Mexico. Together, they then created an event, to implement best practices that help meet the customer requirements also in Mexico. One of the keys to success has been to involve the employees and associates. Because according to the best practices teams, if we are not using everybody's brain, there is still a world to win. Employees benefit from this approach, because the work becomes more fun and gratifying. And the customers benefit because the quality and reliability goes up. In sum, everybody wins.

Chapter 13

Awards and recognition.

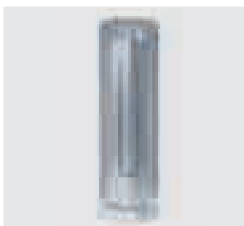
Customer awards.

Daimler (India)



Best Performance Award (MSSL)

Volkswagen (Global)



Innovation & Technology Award (MSSL)

FAW-Volkswagen (China)

Top 10 Suppliers of the Year (SMP)

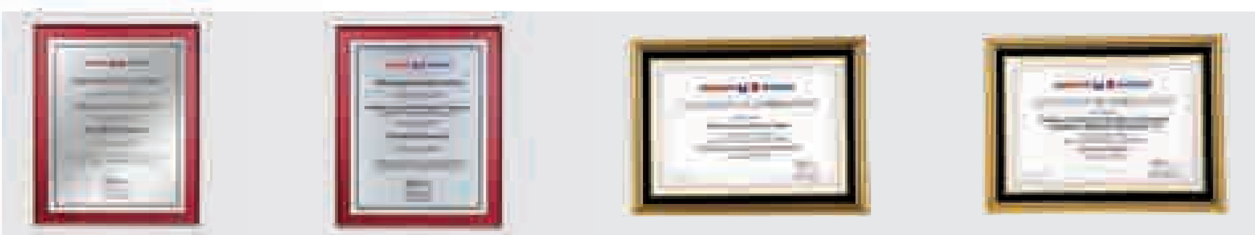
Volvo (Spain)

Quality Excellence Award (SMR)

Ford

Supplier Best Support Award (SMR)

Maruti Suzuki (India)



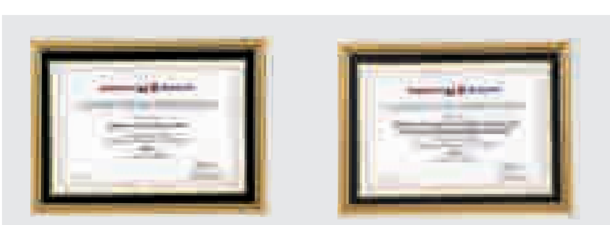
Overall Performance (MSSL)

Overall Performance (MATE)

Excellence in Comprehensive Assesment (MSSL)

Tooling Localization (MATE)

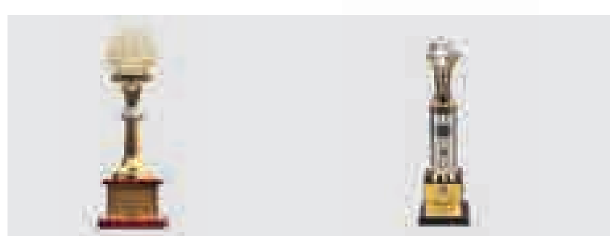
Maruti Suzuki (India)



Safety Award (MSSL)

Safety Award (MATE)

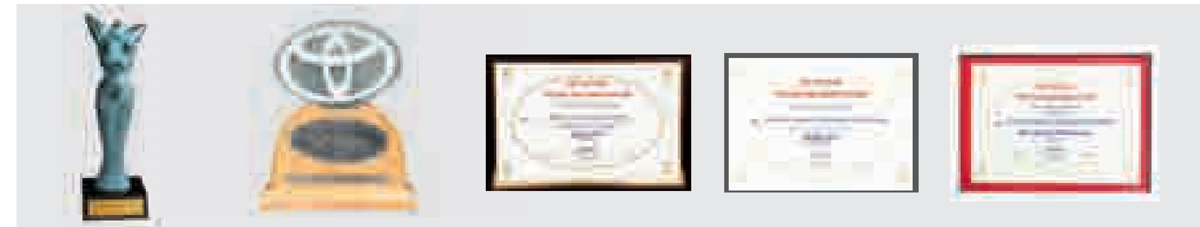
Hyundai (India)



Overall Excellence in Supply Chain (SMR)

Quality Excellence Award (KIML)

Toyota (India)



Regional Contribution Award (MSSL)

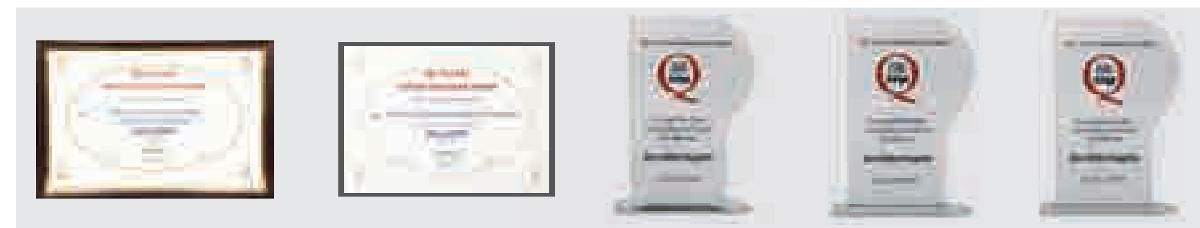
Silver Award – Best Supplier of the Year (MSSL)

Quality Award (MSSL)

Quality Award (MATE)

Best Project Performance Award (MATE)

Toyota (India)



Delivery Award (MSSL)

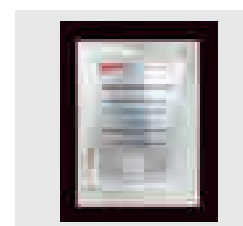
Delivery Award (MATE)

Zero Defect Supplies Zero PPM (MSSL)

Zero Defect Supplies Zero PPM (MATE)

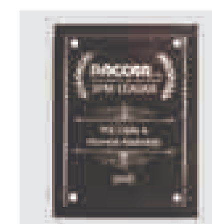
Zero Defect Supplies Zero PPM (SMR)

Mahindra (India)



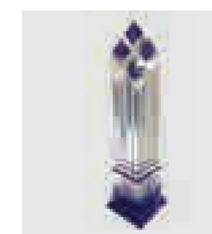
Best SPD Performance (SMR)

PACCAR



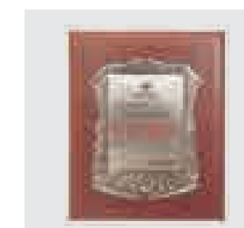
Supplier Performance Management Leader (PKC)

NAVISTAR



Diamond Supplier Award (PKC)

FOTON



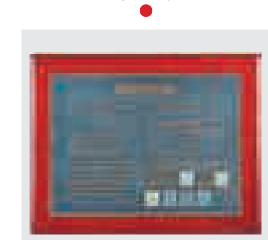
Excellent Supplier (PKC)

John Deere (India)

Commendable Performance for India Business (MSSL)

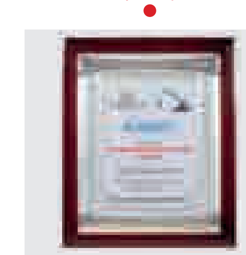
Partner-level Supplier in the 2016 & 2015 Achieving Excellence Program (PKC)

Caterpillar (India)



Platinum Level in Supplier Quality Excellence Process (MSSL)

Kobelco (India)



Preferred Business Partner (MSSL)

Suzuki Motorcycle
(India)

Performance Award New Development
(MSSL)

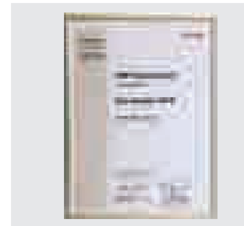
Honda Motorcycles
(India)

Strong CR Efforts in VA/VE
(MSSL)

Danfoss
(India)

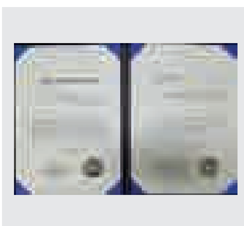
Best Supplier Award
(MSSL)

Brose
(Germany)



Supplier Recognition Award
(SMP)

Hyundai Mobis
(South Korea)

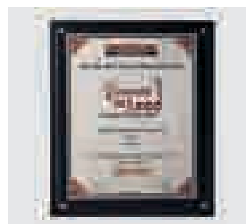


Letter of Appreciation
(SMR)

Komatsu
(India)

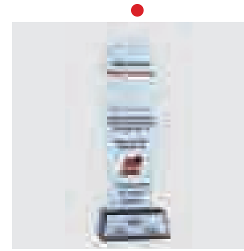
Significant Contribution
(MSSL)

Honda Siel Power Products
(India)



Excellence in Quality
(MSSL)

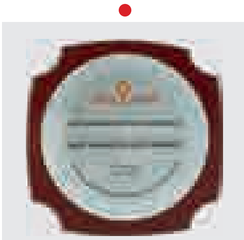
TATA Hitachi
(India)



Quality
(MSSL)

Institutional awards.

ASSOCHAM
(India)

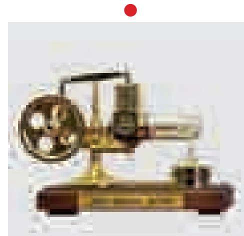


Most Innovative Auto Company
(MSSL)

Professional Publishing
(Hungary)

Company of the year award
(SMR)

Badische Zeitung
(Germany)



Job Motor Award
(SMR)

EY Entrepreneur of the Year 2016
(India)

Mr. Vivek Chaand Sehgal, Chairman, Motherson Sumi Systems Ltd. was adjudged "EY Entrepreneur of the Year 2016" at the 18th EY (Ernst & Young) Entrepreneur of the Year Awards ceremony in New Delhi, India.

Mr. Vivek Chaand Sehgal was declared the winner out of the 250 nominations and 17 finalists. The result was decided by a 9-member eminent jury panel consisting of iconic Indian business leaders. This is by far the most prestigious award in the Indian business industry which has over the years honoured exemplary leaders, who have played a pivotal role in India's ascent in the global business sphere.

The awards were presented by Mr. Piyush Goyal, Minister of State (independent charge) for the Ministry of Power, Coal, New and Renewable Energy and Mines and Ms. Nirmala Sitharaman, Minister of State (independent charge), Ministry of Commerce & Industry for Government of India.

MANAGEMENT DISCUSSIONS AND ANALYSIS

OVERVIEW

Motherson Sumi Systems Limited (MSSL) is a global solution provider for design, development, manufacturing and supply of wiring harness, rear view mirrors and interior and exterior modules to the automotive industry and other industries. During the financial year 2016-17, the Company operated through 4 main segments:

1. Wiring harness, polymer parts etc.operated by the parent entity in India (referred to as MSSL Standalone while reporting segment),
2. Samvardhana Motherson Reflectec(SMR) in the area of rear view mirrors operated by Samvardhana Motherson Automotive System Group BV (SMRP BV), subsidiary of the company,
3. Samvardhana Motherson Peguform(SMP)engaged in Interior & Exterior Modules, also held through SMRP BV,
4. Other businesses which are operated by company through other subsidiaries overseas and joint ventures.

The Company operates in 33 countries in 6 continents from over 180 facilities, supported by technical centers across the world.

The automotive sector is a highly complex and technology driven industry, with a strong focus on safety and environmental regulations. The Company's strategy is based on the principle that creating value for its customers and gaining their trust requires consistent outstanding performance and a broad product portfolio, continuously upgraded through technical and process innovations. This strategy is implemented through a relentless focus on "QCDDMSES" (Quality, Cost, Design & Development, Delivery, Management, Safety, Environment and Sustainability) across all divisions and companies.

The Company has been making continuous strategic investments to support its customers globally, expand its product portfolio and achieve synergies through technological collaboration with leading global players. MSSL's acquisitions are customer driven. MSSL has substantially expanded its customer base globally and further strengthened its affiliation with existing customers.

The ability of the company to support OEMs along with substantial investment required in development process, strengthens the status of the company as a preferred partner to most of the leading OEMs in the automotive and non-automotive industry.

The company is able to engage with customers from the early stages of collaborative development projects which enable the company to introduce company's products into a vehicle's designs phase. This collaboration when combined with close proximity to customers, technological leadership, demonstrated reliability and financial stability results into maintaining strong track record of not only winning repeat orders but new global upcoming platforms.

The company is one of the few suppliers in its product segment with a global engineering and manufacturing footprint and this strong geographical diversification enables the company to capitalize on global growth opportunities while mitigating the impact of any regional demand fluctuations.

The Company is currently expanding capacities at all its main divisions to meet the customers' demand for new orders placed by them, particularly in SMP. Operational improvements have been put in place and the Company has an exciting innovation pipeline, across the businesses. This year's achievements are in line with our Vision 2020 targets.

GLOBAL CAR PRODUCTION

Vehicle Production: Region (in numbers)	2016-17	2015-16
Europe	21,883,781	21,030,876
North America	17,938,135	17,687,852
South America	2,857,639	2,889,107
Asia (including India)	51,761,409	47,562,531
Grand Total	**94,440,964**	**89,170,366**

Source: IHS

The global production of passenger cars and commercial vehicles has increased by 6% in 2016-17. There is moderate growth in automotive production in Europe, North America and Asia excluding India in 2016-17 as compared to last year.

INDIAN VEHICLE AND COMPONENT MARKET

The Indian auto industry is one of the largest in the world. The industry accounts for 7.1% of the country's Gross Domestic Product (GDP). The Two Wheelers segment with

81% market share is the leader of the Indian Automobile market owing to a growing middle class and a young population. Moreover, growing interest of the companies in exploring the rural markets further aided the growth of the sector. The overall Passenger Vehicle (PV) segment has 13% market share.

The Indian automotive industry is showing positive signs with moderate growth in the passenger vehicle and two wheeler segments. During the year, OEMs launched new models with additional functionalities and features to attract customers.

Performance of Indian auto industry during last three years is as follows:-

Figures in thousand

Category	2014-15	2015-16	2016-17
Passenger Vehicles	3,221	3,465	3,792
Growth%	*4%*	*8%*	*9%*
Commercial Vehicles	698	787	810
Growth%	*0%*	*13%*	*3%*
Three Wheelers	949	934	783
Growth%	*14%*	*-2%*	*-16%*
Two Wheelers	18,489	18,830	19,929
Growth%	*10%*	*2%*	*6%*
Grand Total	23,357	24,016	25,314

Source: SIAM Report

Domestic Sales

- Sales of Passenger Vehicles grew by 9.23% in April-March 2017 over the same period last year. Within the Passenger Vehicles segment, Passenger Cars, Utility Vehicles and Vans grew by 3.85%, 29.91% and 2.37% respectively during April-March 2017 over the same period last year.
- The overall Commercial Vehicles segment registered growth of 4.16% in April-March 2017 as compared to the same period last year. Medium & Heavy Commercial Vehicles (M&HCVs) grew by 0.04% and Light Commercial Vehicles grew by 7.41%. Three Wheelers sales declined by 4.93% in April-March 2017 over the same period last year. Passenger Carrier sales declined by 8.83% and Goods Carrier sales grew by 12.75% in April-March 2017 over April-March 2016.
- Two Wheelers sales grew by 6.89% during April-March 2017 over April-March 2016. Within the Two Wheelers segment, Scooters, Motorcycles and Mopeds grew by 11.39%, 3.68% and 23.02% respectively in April-March 2017 over the corresponding period of last year.

The long term outlook remains positive for the automotive industry with all major global players having a base in India for manufacturing, global sourcing as well as engineering. Correction in fuel prices and lower finance cost should further add domestic growth in the short to medium term. Regular product launches planned by OEMs will keep customer excitement levels up and create demand and is favorable for the overall industry growth.

PERFORMANCE - 2016-17

The Company adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 for the first time with a transition date of April 1, 2015. Accordingly these financial have been prepared in accordance with Indian Accounting Standards ("Ind AS").

Fiscal Year 2016-17 was the second year of MSSL's fifth 5 Year Plan, called Vision 2020. During the year, the company has shown record performance in all aspects.

The Company's main achievements for the FY 2016-17 are summarized as follows:

Highlights of consolidated results:

- The Company reported record consolidated revenues of ₹419,842 million (US$ 6.5 billion) for FY 2016-17.
- Revenue was up by 15% from 2015-16 level. In the last 5 years the Company's revenues have shown a CAGR of 23%.
- The Company improved its operational Earnings before interest tax and depreciation (EBITDA) margin to 10.2% at a consolidated level, increase of 21% on consolidated basis.
- As a result of growing revenue and continuous operational improvement across all business units, consolidated operating margins for the Company improved and Profit Before Tax (PBT) increased by 39% and Profit after tax (PAT) improved by 20% on consolidated level.
- The Company reported ROCE of 28% at a consolidated level in 2016-17, up from 25% in 2015-16.
- As a policy to reward shareholders, MSSL has issued bonus shares in the ratio of 1 bonus share against the 2 existing shares.
- The company has proposed dividend of ₹2 per equity

share for the financial year ended March 31, 2017 on the expanding share capital(including bonus shares) representing a dividend payout ratio including taxes of 33% of the consolidated profit after tax against our stated policy of 40% payout.

- In March 2017, the company through one of its indirect subsidiary, MSSL Estonia WH OÜ, completed acquisition of PKC Group Plc ("PKC"), Finland. The acquisition process was completed by 27th March, 2017. In view of the limited time available only Balance sheet of the company as on 31st March 2017 is being consolidated in financials.
- In order to scale up company's consolidated revenue from $6.5 billion in FY2017 to $ 18 billion by FY 2020 MSSL grew its overseas business and received new orders worth ₹29,425 crore during FY2017.

Highlights of Standalone results:

- Standalone Net Sales rose 19% to ₹61,418 million, up from ₹51,656 million for FY 2015-16.
- Domestic business grew by 22% to ₹60,229 million while Export from India was up by 5% from ₹7,966 million to ₹8,342 million at standalone level.
- The Company reported the highest ever return on capital employed (ROCE) of 48% at standalone level.

Highlights of SMRPBV results:

Samvardhana Motherson Automotive System Group BV (SMRP BV) is subsidiary of the company and its business consists of Samvardhana Motherson Reflectec Group referred to as SMR and Samvardhana Motherson Peguform Group referred to as SMP.

Below is the snapshot of growth and profitability performance of SMRP BV:

- SMR reported record sales of ₹115,867 million (Euro 1,575 million). SMR achieved 17% growth in EBITDA at ₹12,598 million (Euro 171 million), PBT was up by 21% at ₹9,369 million (Euro 127 million) and PAT was up by 17% at ₹3,543 million (Euro 48 million).
- SMR reported a strong ROCE of 47% as compared to 41% in 2015-16
- SMP achieved the highest ever annual sales of ₹219,656 million (Euro 2,986 million). EBITDA rose by 27% to ₹14,049 million (Euro 191 million). PBT increased by 115% to ₹6,198 million (Euro 84 million). PAT went up by 55%, ending at ₹1,810 million (Euro 25 million).
- SMRPBV has a total order book of Euro 12.9 billion as on 31st March 2017. During the year SMRPBV has won additional orders of Euro 4 billion. Orders worth Euro 4.6 billion were executed during financial year 2016-17.

Other major developments during the year:

Significant financing arrangements

QIP and Preferential allotment

The Company issued 17,762,460 no. of equity shares of face value of ₹1 to Sumitomo Wiring Systems Limited, Japan at issue price of ₹317 per Equity Share (including premium of ₹316 per share) on a preferential basis on September 12, 2016.

Further the company issued 62,884,827 no. of equity shares to qualified institutional buyers at the issue price of ₹317 per equity share, (including premium of ₹316 per equity share) on September 16, 2016. The company raised ₹25,565 million by way of issue of shares to finance its growth objectives.

Senior Secured Notes by SMRPBV

On June 16, 2016, SMRPBV issued US$ 300 million 4.875% Senior Secured Notes due 2021 (the "Notes"). The Notes bear interest rate of 4.875% payable semi-annually on June 16 and December 16 of each year and will mature on December 16, 2021. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange.

On August 08, 2016, SMRPBV issued further US$ 100 million 4.875% Senior Secured Notes due 2021 (the "Additional Notes") at price of the secondaries, . These bonds carry the same terms and conditions as (other than the issue date and issue price), fungible with, rank equally in all respects with, and are consolidated and form a single series with, the US$ 300 million 4.875% Senior Secured Notes due 2021 issued by the Company. The total principal amount of the Notes and the Additional Notes is US$ 400 million.

The terms of the 2016 Notes reflect strengthening of the Company's credit profile and the strong investor confidence in the Company. The additional bonds gave added liquidity to the Company to meet investment requirements for its order book, while further extending the Company's debt maturity profile. Long term credit rating of BB+ (with stable outlook) has been assigned to the company by Standard and Poor's. Further an issue rating of "BB+" was assigned to US$ 400 million Senior Secured Notes issued in June 2016.

Acquisitions

Acquisition of PKC Group Plc

The company through one of its indirect subsidiary, MSSL Estonia WH OÜ, completed acquisition of PKC Group Plc ("PKC"), Finland for a consideration of Euro 571 Million (₹40,343 million) in March 2017. PKC Group is a listed company in NASDAQ Helsinki with over 30 facilities in 12 countries and over 20,000 employees globally and a sales revenue of Million 847 Euro during year ended December 2016. It is a major supplier of wiring harnesses to commercial vehicle manufacturers in North America, Europe, Brazil and China.

This transaction has resulted in goodwill amounting to Euro 231 million (₹15,980 Million) and business and commercial rights amounting Euro 273 million (₹ 18,885 million).

Acquisition of Abraham esTarsaKft

In October 2016, MSSL through its wholly-owned subsidiary, MSSL Manufacturing Hungary Kft, acquired the land, building and machinery of Abraham es Tarsa Kft in Hungary for a consideration of Euro 10.4 Million.

The acquired company is an expert in plastic processing and high quality products for car makers across Europe. It is being further expanded to achieve group synergies through supplies to SMR and to the new facilities being set up by SMP in Europe to meet the demand for new orders from customers.

Acquisition of KobekSiebdruck GmbH & Co. KG

On January 02, 2017 SMP through its subsidiaries acquired 100% of the issued share capital of Kobek Siebdruck GmbH & Co. KG (hereinafter 'Kobek'), renamed as Motherson Innovations Lights Gmbh & Co KG ("MIL") for a consideration of Euro 1.6 Million. MIL is a specialist in lightning solutions and has been a supplier to the SMP subsidiaries. Through this acquisition the Group would be able to leverage the potentials of the unique lighting technology of Kobek combined with its product portfolio to add value and provide innovative solutions to its customers. SMP Group through one of its subsidiaries already delivers illuminated/non-illuminated interior in-mold decoration parts for some of the Global platforms. This acquisition will enhance the product portfolio with more value addition and increased vertical integration.

REVENUE

The Company's consolidated revenues reached to ₹419,842 million (USD 6.5 billion) during the year, up from USD 5.7 billion in FY 2015-16.

Geographical Spread

The Company's consolidated sales grew by 15% to ₹419,842 million, with 86% of consolidated sales coming from outside India. With significant contribution in sales growth from outside India and ability to serve customers globally, the Company now ranks as a global player in the automotive component industry.

Table below shows consolidated sales performance of the Company within India and outside India in 2016-17:

₹ in Million

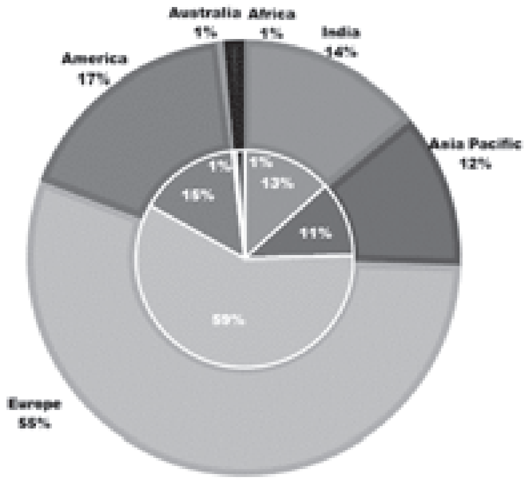
Consolidated	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Customers within India	14%	58,617	13%	48,703	20%
Customers outside India	86%	361,225	87%	317,100	14%
Total	**100%**	**419,842**	**100%**	**365,803**	**15%**

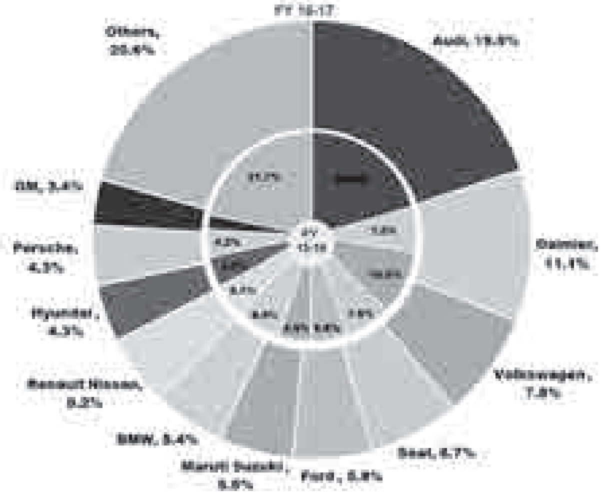
Standalone sales grew by 19% to ₹61,418 million helped by strong global as well as domestic performance. Currently 14% of the standalone sales originate from outside of India as shown by below table.

₹ in Million

Standalone	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Customers within India	86%	53,076	85%	43,691	21%
Customers outside India	14%	8,342	15%	7,965	5%
Total	**100%**	**61,418**	**100%**	**51,656**	**19%**

The below chart shows the consolidated revenue breakdown by geography for fiscal year ended March 31, 2017 and March 31, 2016





Driving force behind this growth is the Company's ability to earn the trust of global as well as domestic customers, by providing end to end solutions supported by global manufacturing capabilities, global proximity to customer facilities, ability to manage cross-cultural operations and core expertise in all aspects of design, research, engineering and development.

MSSL has substantially expanded its customer base globally to strengthen its affiliation with the existing customers. With the acquisition of PKC group in FY 2016-17, the Company's operational base has expanded to 33 countries from 25 countries in 2015-16 with 180 manufacturing facilities, supported by technical centers located worldwide.

Diversified customer portfolio

The company is a trusted partner and strategic Tier I supplier to leading global OEMs . It has well established strategic relationships with several OEMs across the globe.

The below chart shows the revenue breakdown by customers for the fiscal year ended March 31, 2017 and March 31, 2016:

The company constantly monitors its vision of "3CX15", which means no Component, Customer or Country to represent more than 15% of the turnover.

Others include customers contributing to less than 2% of total sales and among others includeTesla, Mitsubishi, PSA, JCB, NACCO etc.

REVIEW OF CONSOLIDATED FINANCIALS

The company is continuously pursuing its strategic actions, focusing on consistent outstanding performance, strengthening customer relationships built on trust, pursuing greater client engagement, increasing the content per vehicle and developing long-term sustainable value creation.

MSSL continues to outperform the industry in terms of growth in revenue and profitability.

The company has consolidated PKC Group acquired in March 2017 which is reflected in the consolidated financial position; however the same does not have any impact of financial results for the year.

(A) Consolidated financial results:

The Company's consolidated financial results are summarized in the Table below. The Company's consolidated sales (net of excise duty) of RS. 419,842 million represent a new record level.

₹in Million

Results	2016-17	2015-16	% change
Sales	427,657	372,267	15%
Excise duty	7,815	6,464	21%
Cost of material	257,507	224,093	15%
Employee cost	80,909	71,573	13%
Other expenses	43,671	41,015	6%
PBIDT	44,310	35,874	24%
PBT	30,827	22,929	34%
PAT	21,724	17,737	22%
Concern share after adjusting minority interest	15,543	12,923	20%
Earnings per share	11.37	9.77	16%

During 2016-17, Profit before Interest, Depreciation and Tax (PBIDT) increased by 24% to ₹44,310 million from ₹35,874 million. The Company has reported strong profitability on account of significant improvements at SMR and SMP. Profit before Tax (PBT) substantially increased by 34% to ₹30,827 million from ₹22,929 million during the previous year. Profit After Tax (PAT) concern share significantly improved by 20% to ₹15,543 million as against ₹12,923 million in FY2015-16.

Major cost contributors

Cost of Material

Cost of material includes purchases of raw materials, purchases of goods and tools for resale, discounts for prompt payment, purchase returns and similar transactions, volume discounts, changes to inventories, consumption of other supplies and purchase of traded goods. These are primarily variable in nature based on the product mix sold during the period.

Costs of material have a significant impact on the Company's results. Given below is a review by division:

- Key raw material for the Company's Wiring Harness Division is copper.
- Key raw materials for the Polymer Division are polypropylenes, polycarbonates, ABS and various grades of nylons and resins. Finished products contain decorative (leather, textile and foils) materials, chrome, fasteners, wiring harnesses, electronics, electrical parts, die-casting, plastic and metal parts. The major raw material used in the manufacture of tools and moulds is alloy steel.
- Key inputs for the SMR (mirror) Division are glass actuators, power folds, glass, electro-chromatic glass ("EC glass"), wiring harnesses, electronics, electrical parts, die casting, plastic parts and resins.

For the financial year ended March 31, 2017, the cost of material was ₹257,507 million against ₹224,093 million for the corresponding previous financial year ended March 31, 2016, which is 61% of total revenue for both the years. Cost of material increased by 15% corresponding to increase in sales by 15%. This increase is primarily due to increased production volume and higher engineering projects due to launch of new projects for our OEMs.

Employee cost

The second largest aggregate cost component after raw materials is employee cost. Employee cost includes salaries and wages, contribution to provident fund, gratuity, employee pension schemes and expenses incurred on staff welfare. It is primarily driven by the size of operations, geographical reach and customer requirements. Overall employee cost increased by 13% in 2016-17 which was 19% of total revenue.

Other Expenses

Other expenses primarily consists of general administrative expenses, energy cost, repair & maintenance cost, rental & lease cost, freight & forwarding cost, auditors remuneration, net foreign exchange loss and legal & professional fees etc. Other expenses increased by 6% compared to the previous year mainly due to increase in variable cost of operations due to higher capacity and production levels and start-up costs for the new plants expensed to income statement.

Exceptional Expenses

During the year, the company incurred exceptional expenditures of ₹974 million in connection with acquisition of PKC Group, Finland.

Other comprehensive income

₹ in Million

Other comprehensive income	2016-17	2015-16	% change
Other comprehensive income attributable to:			
Owners	(2,252)	503	-548%
Non-controlling interest	(1,048)	(62)	-1589%
Other comprehensive income	**(3,300)**	**441**	-849%
Total comprehensive income attributable to:			
Owners	13,291	13,426	-1%
Non-controlling interest	5,133	4,752	8%
Total comprehensive income	**18,424**	**18,178**	**1%**

Other comprehensive income primarily includes exchange differences on translation of foreign operations. The Euro strengthened against Rupee, which resulted in exchange translation loss of ₹3,026 million in 2016-17.

(B) Consolidated financial position:

₹ in Million

Financial Position	2016-17	2015-16	% change
Property, plant and equipment	80,777	68,076	18.7%
Capital work-in-progress	19,348	13,970	38.5%
Investment properties	896	581	54.3%
Goodwill	19,376	2,928	561.7%
Other intangible assets	20,877	465	4390.0%
Other assets			
- Inventory	30,716	22,850	34.4%
- Trade receivables	72,597	50,876	42.7%
- Cash & bank balance	48,866	17,717	175.8%
- Other assets	30,244	21,577	40.2%
Total assets	**323,697**	**199,040**	62.6%
Liabilities (other than loans)	115,155	79,259	45.3%
Net assets	**208,542**	**119,781**	74.1%
Source of funding:			
Net worth	79,728	40,972	94.5%
Reserve on amalgamation and consolidation	2,999	2,999	-
Non-controlling interests	22,322	15,123	47.6%
Loans outstanding:			
- Payable within one year	2,076	3,272	-36.6%
- Short-term loans	6,977	9,557	-27.0%
- Long-term loans	94,440	47,858	97.3%
Total loans	**103,493**	**60,687**	70.5%
Cash & bank balance (excluding unpaid dividend)	48,841	17,676	176.3%
Loans (net of cash and bank balances)	**54,652**	**43,011**	27.1%
Capital expenditure (Net of disposals)	27,789	19,307	43.9%

(Balance sheet of PKC Group as on March 31, 2017 is being consolidated for the first time. Hence figures of 2016-17 are not comparable.)

The company's growth strategy includes expanding operations in line with customers' growth. During the year, the Company as a whole incurred capital expenditure of ₹27,789 million (Previous Year ₹19,307 million), which was partly funded from internal accruals and proceeds from issuance of the senior secured notes. The Company's net debt was ₹54,652 million as on March 31, 2017, up from ₹43,011 million as on March 31, 2016.

The Company's cash and bank balance of ₹48,841 million included the cash and bank balance at SMRP BV amounting Euro 506 million for meeting capital expenditure requirements.

The company's consolidated balance sheet was being strengthened by issue of fresh equity through QIP and preferential allotment amounting to ₹25,565 Million at Standalone level and through 4.875% Senior Secured Notes due 2021 amounting USD 400 million at SMRPBV.

REVIEW OF STANDALONE FINANCIALS

(A) Standalone financial results:

₹ in Million

Results	2016-17	2015-16	% change
Sales	68,572	57,545	19%
Excise duty	7,154	5,889	21%
Cost of material	33,845	28,535	19%
Employee cost	8,560	7,133	20%
Other expenses	8,313	6,956	20%
PBIDT	13,829	12,014	15%
PBT	11,728	9,532	23%
PAT	8,273	7,186	15%
Earnings per share	6.05	5.43	11%

During the year, the Company's standalone revenues increased by 19% to ₹61,418 million. PBIDT increased by 15% at ₹13,829 million, up from ₹12,014 million during 2016-17. PBT amounted to ₹11,728 million compared to ₹9,532 million in previous year. This is mainly due to recovery from the customers and gain on sale of mutual fund investments during the current year.

(B) Standalone financial position:

₹ in Million

Financial Position	2016-17	2015-16	% change
Property, plant and equipment	13,824	14,086	-1.9%
Capital work-in-progress	530	652	-18.6%
Investment properties	592	233	154.0%
Other intangible assets	9	3	198.4%
Other assets			
- Inventory	6,917	6,418	7.8%
- Trade receivables	8,115	5,921	37.0%
- Cash & bank balance	1,891	185	921.5%
- Other assets	50,902	11,442	344.9%
Total assets	**82,780**	**38,940**	112.6%
Liabilities (other than loans)	11,818	9,549	23.8%
Net assets	**70,962**	**29,391**	**141.4%**
Source of funding:			
Net worth	56,364	22,876	146.4%
Reserve on amalgamation and consolidation	1,663	1,663	0.0%
Loans outstanding:			
- Payable within one year	1,355	1,503	-9.9%
- Short-term loans	37	1,410	-97.4%
- Long-term loans	11,543	1,939	495.3%
Total loans	**12,935**	**4,852**	166.5%
Cash & bank balance (excluding unpaid dividend)	1,865	144	1191.1%
Loans (net of cash and bank balances)	**11,070**	**4,708**	135.1%
Capital expenditure (Net of disposals)	2,492	1,609	54.8%

During the year, the Company incurred capital expenditures of ₹2,492 million on setting up of new facilities in Sanand (Gujarat, India), Noida and Indore, as well as for the expansion of existing capacities at various locations.

The company raised ₹25,277 million (net of issue expenses) through QIP and Preferential allotment during FY 2016-17. The company issued 80,647,287 equity shares of ₹1 each at a premium of ₹316 per share. The company also raised borrowing of ₹10,974 million by way of ECB and term loans. The funds were used for investment in foreign subsidiaries amounting ₹37 Billion.

CAPITAL EXPENDITURE

During the year, the Company incurred ₹27,789 million on capital expenditure at the consolidated level , which has been largely financed from internal sources within the group.

The company continuously assesses the need for setting up greenfield plants or expands capacity in existing plants to cater to new platforms with existing/new customers for the orders won. Our capital expenditures includes new manufacturing plants and expansion of capacity of existing plants for new production lines, maintenance capital expenditure on maintenance of machinery and buildings, improvements of existing plants driven by health and safety, fire protection and upgradation requirements of manufacturing facilities.

The Company allocated significant funds during the past years to enhance the capacities of the plants at Germany, USA, China, Thailand, South Africa, Mexico, Hungary, Korea, India and Spain. The Company is focused on utilizing its global capabilities in order to achieve new dimensions in terms of growth with optimal capital outlays. The capital expenditure,during 2017-18, is expected to be in the range of ₹20 billion to ₹22.5 billion.

SMRP BV is in expansion process of its manufacturing capacities and global presence in both SMR and SMP. SMRPBV incurred capital expenditure of Euro 319 million during year ended March 31, 2017. Out of which approximately 60% of capital expenditure of Euro 190 million was incurred on new facilities/ expansion.

The status of capacity expansions is as follows:

A. Capital expenditure in SMP division primarily related to the following under construction plants:-

- Greenfield plant at Kekscemet in Hungary. Commercial production will start during the fourth quarter of FY 2017-18.
- Greenfield plant at Tuscaloosa, Alabama in USA. The plant is being set up for manufacturing of bumpers, door panels, spoilers and other exterior parts. This facility is expected to start from Q1 FY 2018-19.
- Investment in new Greenfield plant at Mexico & China which commenced commercial production during the fiscal year ended March 31, 2017.

B. Capital expenditure in SMR division primarily related to construction in progress of plants at:-

- Expansion of paintshop in San Luis Potosi, Mexico for production of Exterior Rear View Mirrors. Commercial production started in FY 2016-17
- Construction of paint shop in Mosonszolnok, Hungary. Commercial production willstart in FY 2017-18
- Expansion of existing facilities in South Korea, China, US and India.

C. SMP has started constructing green field plant in Turkeve, Hungary. The plant will manufacture plastic components for Daimler and Audi business for one of our group companies. Ramp up of production will start from November 2017.

Start-up cost incurred for new plants and facilities of SMP under construction was € 28 million for FY2016-17 (€ 23 million for FY2015-16). There are significant start-up cost including project management cost, trial of new products, travelling and training cost incurred for setting up of manufacturing processes as per customer requirements, which are expensed to the income statement following conservative accounting practice. This will get normalized once the matching revenues from the new plants will start.

D. The company incurred capex of ₹2,492 million at standalone level, which include:

a) The Wiring Harness Division expanded its manufacturing capacity at its existing facilities in Noida. Ramp-up of this plant will happen during FY 2017-18.

b) Wiring Harness Division has also constructed a new green field plant in Indore. Commercial production will start in FY 2017-18.

c) Construction of plant in Sanand (Gujarat) was completed in FY 2016-17 and the plant has started contributing in revenue from fourth quarter of FY 2016-17.

The company is continuously improving its geographical footprint to diversify its operations to mitigate the impact of any such economic downturn in any specific geography. Expansion in USA, Mexico & China and new plants under construction at Hungary and USA will support to enhance the global footprint.

CASH FLOW

The Company's cash flow position is strong. Improved cash flow generation has resulted in strong returns for the shareholders. The following tables summaries company's consolidated and standalone cash flows for the current and previous years.

Consolidated Cash Flow statement:

₹ in Million

Consolidated Cash Flow	2016-17	2015-16
Cash flow from operations	**47,404**	**28,783**
Taxes paid	(8,433)	(6,899)
Exceptional Item	(974)	-
Cash flow from operating activities	**37,997**	**21,884**
Capital Expenditure (Net of disposal)	(27,789)	(19,307)
Consideration paid on acquisition of subsidiaries	(40,453)	-
Cash flow from other investing activities	164	246
Cash flow from Investing activities	**(68,078)**	**(19,061)**
Proceeds from issue of shares	25,277	-
Proceeds & (repayments) of borrowings	34,092	7,168
Cash flow from other financing activities	(3,376)	(9,800)
Cash flow from financing activities	**55,993**	**(2,632)**
Net Increase/(Decrease) in Cash & Cash Equivalents	**25,912**	**191**
Net Cash and Cash equivalents at the beginning of the year	17,656	17,429
Cash and cash equivalents acquired consequent to acquisition of business	5,808	-
Cash and cash equivalents as at current year closing*	**49,376**	**17,620**

*(including exchange difference on bank balances in foreign currency with banks)

Operating Activities

Net cash generated from operating activities for the fiscal year ended March 31, 2017 was ₹37,998 million. Cash generated from operations before changes in working capital & income tax was ₹40,760 million. This is primarily due to higher earnings before taxes and improved profitability of business in different geographies. Exceptional expenses of ₹974 million were incurred on acquisition of PKC Group Plc.

Investing Activities

Net cash flow utilised in investing activities during the fiscal year ended March 31, 2017 was ₹68,078 million. This was primarily contributed by amount paid for purchase of property, plant & equipment for ₹27,789 million (the same is explained in "Capital Expenditure").

During the year company made acquisition of PKC Group Plc, Finland and Kobek Siebdruck GmbH & Co. KG, Germany. Total consideration paid for these acquisitions was ₹40,453 million.

Financing Activities

Net cash flow generated from financing activities for the fiscal year ended March 31, 2017 was ₹55,993 million. This mainly constitutes proceeds from QIP and Preferential allotment of shares of ₹25,277 million (net of issue expenses) and finances raised at different subsidiary and parent entity for funding of acquisitions and other activities.

Standalone Cash Flow statement:

₹in Million

Standalone Cash Flow	2016-17	2015-16
Cash flow from operations	**10,594**	**9,533**
Taxes paid	(3,526)	(2,750)
Cash flow from operating activities	**7,068**	**6,783**
Capital Expenditure (Net of disposal)	(2,492)	(1,609)
Proceeds from sale / (payment for purchase) of investments (net)	(36,672)	304
Cash flow from other investing activities	535	1,112
Cash flow from Investing activities	**(38,629)**	**(193)**
Proceeds from issue of shares	25,277	-
Proceeds & (repayments) of borrowings	8,116	(727)
Cash flow from other financing activities	(124)	(7,169)
Cash flow from financing activities	**33,269**	**(7,896)**
Net Increase/(Decrease) in Cash & Cash Equivalents	**1,708**	**(1,306)**
Net Cash and Cash equivalents at the beginning of the year	142	1,441
Cash and cash equivalents as at current year closing*	**1,850**	**135**

*(including exchange difference on bank balances in foreign currency with banks)

Operating profit before working capital changes was higher at ₹12,583 million, compared to ₹10,318 million for FY2015-16 due to higher earnings.

During the year company made investments amounting ₹37 Billion in its subsidiaries through automatic route. The investment was financed through funds raised through QIP & preferential allotment amounting ₹25,277 million (net of issue expenses) and new borrowings amounting ₹10,974 million.

REVIEW OF PERFORMANCE BY SEGMENT

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the group.

The group's CODM examines the group's performance on four reportable segments of the business.

The following table shows business progress with respect to our different business segments during FY2016-17:

₹in Million

Consolidated	March 31, 2017		March 31, 2016		Growth
	%	Amount	%	Amount	%
MSSL Standalone	15%	61,418	14%	51,656	19%
SMR	28%	115,867	28%	100,726	15%
SMP	52%	219,656	52%	189,208	16%
Others	5%	22,901	7%	24,213	-5%
		419,842		**365,803**	**15%**

MSSL Standalone segment represents standalone operations of Motherson Sumi Systems Limited, engaged mainly in manufacturing and trading of automobile parts for commercial and passenger vehicles.

SMR represents Samvardhana Motherson Reflectec Group Holdings Limited including its subsidiaries excluding Samvardhana Motherson Innovative Autosystems Holding Company BV, Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V., SMP Automotive Systems Alabama Inc. and plant at Kecskemet of SMR Automotive Mirror Technology Hungry Bt. and is engaged in development, manufacture and supply of rear view mirrors and drive assistance systems.

SMP represents Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (an overseas subsidiary of the Company) including its subsidiaries and excludes SMR defined above. SMP supplies plastic parts and system modules for vehicle interiors and exteriors.

Others comprise other subsidiaries of the Company (excluding SMR and SMP) that are below the thresholds for separate reporting as operating segments.

The company continuous to be focused mainly on the automotive industry, and has strong OEM relationships. The company's organic and inorganic growth has always been customer-led and the Company continues to follow this strategy.

The company's broadening horizons in diversified geographies by covering major customers and vehicle segments resulted in its growth across all its major product segments. The Company is catering to all major automobile manufacturers across the globe. Along with automotive industry, the Company's product portfolio also includes major industry segments in the non-automotive sectors like earthmoving and material handling equipment, agriculture and farm equipment, medical diagnostics, white goods etc.

MSSL STANDALONE

Motherson Sumi Systems Limited (MSSL) is a flagship company of the Samvardhana Motherson Group. It is a leading supplier of wiring harnesses, wires, injection-moulded components, assemblies; blow moulded components, integrated modules and high precision plastic parts to OEMs. MSSL is working through 60 facilities across India.

Table below shows the segment analysis of MSSL Standalone business:-

₹ in Million

MSSL Standalone	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Wiring Harness	71%	43,647	72%	37,104	18%
Modules and Polymer Components	28%	17,008	27%	13,988	22%
Rubber/Metal machined & other products	1%	763	1%	564	35%
Total		**61,418**		**51,656**	**19%**

Wiring Harness

The wiring harness division has 33 facilities in India spread over Noida, Faridabad, Pune, Bengaluru, Chennai, Pathredi, Sanand, Lucknow, Haldwani and Indore. The Company's comprehensive design capabilities and its extensive product portfolio, facilitate continuous gain of market share and rapid growth in revenue above the industry average.

The high degree of backward integration for key inputs of the product like wires, connectors, terminals & fuse boxes, tube clamps & binders, grommets & seals, caps & sleeves etc. enables the Company to increase its share of business. The Company has in house facilities to manufacture high precision plastic parts especially connectors, fuse boxes and junction boxes for wiring harnesses. It has well-established tool rooms which develop moulds for a wide range of applications from high precision components to complicated automobile parts with specialization in wiring harness components.

Superior quality of the end product, consistent just-in-time product supply and customer service continue to be the areas of competitive advantage for the wiring harness business. The customer base of the Wiring Harness Division spans the entire spectrum of the automotive industry and includes passenger cars and MUVs, two wheelers, commercial vehicles, tractors and farm equipment, earth moving and material -handling equipment, electrical & electronics and medical systems.

The segment has a strong presence in European two-wheeler and material handling equipment markets, along with the commercial vehicle segment in USA.

₹in Million

Wiring Harness	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Customers Within India	85%	37,135	82%	30,471	22%
Customers Outside India	15%	6,512	18%	6,633	-2%
Total		**43,647**		**37,104**	**18%**

The Company has pass through arrangements with customers for copper prices and Yen fluctuations for imports. Sale of wiring harness registered 18% growth during the year.

Modules and Polymer Components

Modules and polymer components business is conducted by Motherson Automotive Technologies & Engineering (MATE), Motherson Polymer Solutions (MPS) and SMIIEL.

This division is continuously upgrading and expanding its facilities to meet increasing customer requirements. It manufactures wide range of injection-moulded components, assemblies, blow moulded components, integrated modules and high precision plastic parts especially connectors, fuse boxes and junction boxes for wiring harnesses. It also has a well-established tool room which develops moulds for a wide range of applications from high precision components to complicated automobile parts with specialization in wiring harness components.

The company is one of the largest moulded parts, assemblies and modules supplier to the Indian automotive industry. Polymer division has 22 manufacturing facilities and 2 design centers in India spread over Noida, Manesar, Pune, Bengaluru, Chennai, Pondicherry, Tapukera, Sanand and Walajabad. This division has established itself as a leading module supplier to the car manufacturers in India. It will continue to witness healthy growth because of expanding customer base and diversified product portfolio. Module and polymer division is serving leading OEMs including MSIL, Volkswagen, Hyundai, Daimler, Ford and Renault etc.

MATE units have been awarded for superior performance in Quality, Cost, Delivery, Development, Program Management, Vendor Performance and Supply categories by various customers.

₹in Million

Modules and Polymer Components	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Customers Within India	92%	15,716	93%	12,992	21%
Customers Outside India	8%	1,292	7%	996	30%
Total		**17,008**		**13,988**	**22%**

Sale outside India in Module and Polymer division of the Company registered growth of 30% during 2016-17.

Machine Metal Components, Rubber Components and Others

Metal Machining business , named as Motherson Innovative Engineering Solutions (MINES), a division of MSSL, has its facility at Bengaluru, India.

The Rubber Components business is conducted through Motherson Automotive Elastomers Technology (MAE) division of MSSL in Chennai and Noida, India.

Sales in Machined metal components, rubber components and others:

₹in Million

Rubber/Metal machined & other products	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Customers Within India	29%	224	38%	212	6%
Customers Outside India	71%	539	62%	352	53%
Total		**763**		**564**	**35%**

During the year, the division achieved growth of 6% in its domestic revenue and 53% outside India.

The financial performance and brief of the Company's subsidiaries is as follows:

Samvardhana Motherson Automotive System Group B.V (SMRP BV), Netherlands(Consolidated with its Subsidiaries & Joint Venture)

Introduction: SMRP BV is a joint venture between the Company and Samvardhana Motherson International Limited. The Company holds 51% shareholding in SMRP BV through its step down subsidiaries.

SMRP BV together with its subsidiaries is a leading global Tier 1 supplier of rear view vision systems(referred to as Samvardhana Motherson Reflectec (SMR)) and interior and exterior modules (including door panels, instrument panels and bumpers) (referred to as Samvardhana Motherson Peguform (SMP)) to OEMs primarily for use in the production of vehicles.

The company has strong/long relationship with 14 out of top 15 global car makers in almost all the regions and segments of their presence and these collectively represented over 90% of the global automotive production in 2016. The company currently supplies products to over 600 vehicle programs.

SMP Group produces various polymer-based interior and exterior products for light vehicles. SMP's product portfolio primarily comprises of complete modules, including door panels, instrument panels and bumpers as well as other plastic components and systems, such as center consoles, decorative interior trims and plastic body parts. SMP Group including SMIA operated 27 manufacturing facilities and 9 module centers in 9 countries.

The SMRP BV Group is active in all major global automotive production regions. With 48 facilities and 11 module centers spread across 16 countries and strategically located in close proximity to the manufacturing plants of the OEM customers. SMRPBV group has 26 R&D centers across major production centers.

As on March 31, 2017, SMRP BV Group had a total of 24,543 employees comprising of 10,460 employees at SMR group and 14,083 employees at SMP Group.

SMRPBV achieved sales of Euro 4,561 million having healthy growth of 14% in euro terms over previous year.

₹in Million

	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Samvardhana Motherson Reflectec (SMR)	35%	115,867	35%	100,726	15%
Samvardhana Motherson Peguform (SMP)	65%	219,656	65%	189,208	16%
Total		**335,523**		**289,934**	**16%**

SMP contributed 65% of the sales and SMR contributed remaining 35% for the fiscal year ended March 31, 2017.

Long term credit rating of BB+ as assigned to the company last year by Standard and Poor's was affirmed again during fiscal year ended 31st March 2017 with stable outlook. Further an issue rating of "BB+" was assigned to US$ 400 million Senior Secured Notes issued in June 2016.

Geographical spread of SMRPBV business

Europe is the major contributor in turnover of SMRPBV with 69%. The revenue contribution from other geographies was Asia Pacific (including India) 16% and Americas 15%.

₹in Million

	2016-17		2015-16		Growth
	%	Amount	%	Amount	%
Customers Within India	2%	5,294	2%	4,448	19%
Customers Outside India	98%	330,229	98%	285,486	16%
Total		**335,523**		**289,934**	**16%**

Samvardhana Motherson Reflectec (SMR):

SMR division produces a wide range of rear view vision systems primarily for light vehicles. SMR is a leading global supplier of exterior mirrors, with a global market share of passenger car exterior rear view mirror of 24% and 8% market share of the total global interior mirror market by volume in 2016. Rear view mirrors play an important role in automotive safety and design, and are becoming increasingly sophisticated. SMR's mirrors are engineered to optimize aerodynamics and integrate technologically advanced features that enhance safety, comfort and aesthetics.

SMR is a leading global supplier of exterior mirrors having its headquarters in Stuttgart, Germany. SMR is a global Tier I supplier of rear view vision systems to all the leading automobile OEMs, including Hyundai Kia, Ford, General Motors, PSA, Renault/Nissan, Suzuki, Fiat, Toyota, Tata JLR, Volvo, BMW, Audi, Daimler and Volkswagen.

SMR is present in 16 countries, has 21 production facilities including 2 module centers and employees 10,460 as on March 31, 2017.

SMR is active in every phase of the product development cycle, and its product portfolio covers a wide spectrum of vehicle and price segments, from low-cost mirrors to highly complex premium mirrors incorporating a variety of electronic features. SMR's focus on research & development and customer collaboration has resulted in various first-to-market innovations and a variety of full system solutions tailored to the needs of OEMs and end consumers, including Blind Spot Detection Systems (BSDS) and Telescopic Trailer Tow (TTT) mirrors.

SMR has a sustained focus on research and development. As on March 31, 2017 SMR held 672 registered patents, 212 pending patents and 19 registered utility models. Its innovations include several industry firsts, such as the first turn signal in exterior mirrors for Mercedes Benz in 1998; the first interior mirror with multiple functions for Mercedes Benz in 1999; the first LIN-bus system in exterior mirrors for Jaguar in 2001; the first camera-based blind spot detection system for Volvo in 2004; the first LED light guide style turn signal for Audi Q7 in 2005; the first side-looker LED turn signal for Hyundai in 2005; a combined unique power telescopic and power folding mirror for Ford in 2007; the first lamps in exterior mirrors to project logos on the ground for European SUVs in 2011; and the first one-piece exterior mirror glass reflector with an integrated blind spot detector section for North-American SUVs in 2011.

During the year SMR started commercial production from its brownfield plant in Noida, India for external rear view mirrors.

REVIEW OF SMR FINANCIALS

(A) SMR financial results:

SMR's sales grew 13% to Euro 1,575 million for the fiscal year ended March 31, 2017, from Euro 1,394 million for the previous year. This is the result of growth across geographic locations. SMR has also experienced strong growth in EBITDA of 17%, to a total of Euro 171 million as compared to Euro 146 million during previous year. The increase is primarily due to strong market demand in USA, Mexico and Spain. There is a significant increase in sales across all geographical locations.

Table below summarizes the financial results of SMR

Euro in Million

Results #	2016-17	2015-16	% change
Net Sales	1,575	1,394	13%
PBIDT	171	146	17%
PBT	135	110	23%
PAT	95	84	14%
Concern share after adjusting minority interest	48	41	17%

As per financials prepared under Ind AS for the purpose of consolidation.

(B) SMR Financial position:

Euro in Million

Financial Position#	2016-17	2015-16	% change
Property, plant and equipment	257	224	14.4%
Capital work-in-progress	45	27	67.0%
Investment properties	4	5	-4.5%
Other intangible assets	1	1	25.4%
Other assets			
- Inventory	76	71	7.2%
- Trade receivables	120	99	21.9%
- Cash & bank balance	50	65	-23.1%
- Other assets	251	162	55.6%
Total assets	**806**	**654**	23.2%
Liabilities (other than loans)	339	283	20.0%
Net assets	**467**	**371**	25.7%

As per financials prepared under Ind AS for the purpose of consolidation.

During May 2016, one of the Company's subsidiary SMR Poong Jeong Automotive Mirrors Korea Limited bought back shares from its minority shareholder Mr. Jae Seok Kim at a consideration of € 9.2 million. As a result this subsidiary has now become a 100% subsidiary of Samvardhana Motherson Reflectec Group Holdings Limited, Jersey and of the Company.

Samvardhana Motherson Peguform (SMP):

SMP produces various polymer-based interior and exterior products for light vehicles. SMP is a full systems solutions provider in plastic parts from design and concept development, product development to simulation, test and model constructions and prototyping to fully integrated mass production modules. Its product portfolio primarily comprises of complete modules, including door panels, instrument panels and bumpers as well as other plastic components and systems, such as centre consoles, decorative interior trims and plastic body parts. These products involve a complex manufacturing and assembly processes, require significant systems integration expertise and represent key comfort and aesthetic features of the vehicles in which they are integrated.

SMP focuses on the premium segment, and is a leading global supplier of door panels, instrument panels and bumpers, with a global market shares of 28%, 11% and 20%, respectively, by volume in 2016.

As on March 31, 2017, SMP held 287 registered patents and had 35 filed patent applications pending for its interior and exterior modules business. It also held 30 registered utility models as of March 31, 2017. SMP has focused its patent efforts on composite technologies, passenger airbag integration solutions, plastic replacement of metal exterior parts, lightweight construction techniques, pedestrian protection and one-step manufacturing. SMP currently holds patents for various addition products and processes, including slush-molding, physical foaming, surface machining of tools and molds and others. These products involve a complex manufacturing and assembly processes, require significant systems integration expertise and represent key comfort and aesthetic features of the vehicles in which they are integrated.

SMP has 27 manufacturing facilities and 9 module centers in nine countries across the globe and employed 14,083 people as on March 31, 2017.

During the year ended March 31, 2017, SMP group started the commercial production from its Greenfield plant at Zitlaltepec, Mexico for manufacture of bumpers, rocker panels, roof spoilers and wheel covers. It also started the commercial production from its Greenfield plant at Beijing, China for manufacture of door panels.

SMP holds 50% shareholding in Celulosa Fabril (CEFA) S.A. (hereinafter 'CEFA'). Celulosa Fabril S.A. (CEFA) is a leading Spanish company engaged in the development and production of components for automobile industry based mainly on the technology of injection of plastic materials. It is the parent company of a Módulos Ribera Alta, S.L ("MRA"). Following a change in composition of the board of directors of CEFA, the Group through its subsidiaries gained majority control over CEFA with effect from December 20, 2016.

REVIEW OF SMP FINANCIALS

(A) SMP financial results:

During the year, SMP registered growth of 14% in revenues, Euro 2,986 million from Euro 2,618 million with 27% increase in EBITDA margin and substantial growth in PBT and PAT.

Increase in SMP revenue is primarily due to commencement of production at new plants in Zitlaltepec, Mexico and Beijing, China coupled with consistent performance at other locations.

Table below summarizes the results of SMP Group

Euro in Million

Results#	2016-17	2015-16	% change
Sales	2,986	2,618	14%
PBIDT	191	150	27%
PBT	91	46	98%
PAT	62	40	54%
Concern share after adjusting minority interest	25	16	55%

As per financials prepared under Ind AS for the purpose of consolidation.

(B) SMP Financial position:

Euro in Million

Financial Position#	2016-17	2015-16	% change
Property, plant and equipment	558	414	34.6%
Capital work-in-progress	215	144	49.3%
Goodwill	50	40	25.7%
Other intangible assets	10	5	102.6%
Other assets			
- Inventory	110	93	17.7%
- Trade receivables	528	390	35.4%
- Cash & bank balance	456	127	259.3%
- Other assets	1,132	1,062	6.6%
Total assets	**3,058**	**2,275**	34.4%
Liabilities (other than loans)	869	582	49.2%
Net assets	**2,189**	**1,693**	29.3%

As per financials prepared under Ind AS for the purpose of consolidation.

There is increase in inventory during current financial year due to engineering projects under development.

As at the year end, cash and bank balance is higher for meeting the capital expenditure payments for new plants.

SMP registered consistent revenue growth across all products, regions and key customers. Cost control and discipline are reflected in the consistent year on year EBITDA margin improvement to 6.6%.

The division is focusing on adding new value added modules that require specialized engineering abilities. SMP's advanced production technologies and product range of interior and exterior products for automotive industry give opportunities to the division to expand the operations with the existing customer base. Since acquisition, SMP has been consistently showing significant improvement in operating performance. SMP is making significant capital investment for meeting demands for new order received.

Strong performance of SMR and SMP is the result of an ongoing plan of operational improvements, strengthening of relationship with the OEMs based on recent performance and the successful opening of new plants to service new orders.

Other Businesses:

Subsidiaries	Nature of business	Currency	Revenue 2016-17 in million	Revenue 2015-16 in million
Manufacturing Subsidiaries				
MSSL Mideast (FZE) MSSL Holding:100% Location :Sharjah Free Trade Zone, UAE	Manufacturing of wiring harness for supplies to leading manufacturers of material handling equipment, construction equipment, agricultural machines, garbage handling trucks etc. as well to SMR.	EUR	46	44
MSSL (GB) LTD. MSSL Holding:100% Country:New Castle, UK	Wiring harness and related modules to niche segments in UK.	GBP	11	13
MSSL Wiring System MSSL Holding: 100% Country:USA (one manufacturing facility) and Mexico (four manufacturing facilities)	MSSL Wiring System along with four fellow subsidiaries in Mexico i.e. Alphabet de Mexico, S.A. de C.V., Alphabet de Mexico de Monclova, S.A. de C.V. and Alphabet de Saltillo, S.A. de C.V., MSSL Wiring Juarez, S.A. de C.V. has five manufacturing facilities, a warehouse, an engineering and administrative center and a new design and support office. It designs and manufactures wiring harness products for sale principally to the commercial, agricultural and off-highway vehicle markets, as well as assembles entire instrument panels that are configured specifically to an OEM customer's specifications in the commercial vehicle market.	USD	202	241
Motherson Electrical Wires Lanka Private Limited MSSL Holding: 100% Country:Sri Lanka	Manufacturing wires for automotive applications. It supplies wires to different manufacturing locations of MSSL.	USD	17	19

Subsidiaries	Nature of business	Currency	Revenue 2016-17 in million	Revenue 2015-16 in million
MSSL Tooling (FZE) MSSL Holding:100% Country: UAE	Manufacturing high quality plastic moulded components, injection moulded precision tool & plastic parts. The Company has also facilities for post moulding operations and assembly. MTL supplies to Tier 1 customers and supports the polymer business in Europe. The Company serves the auto components, pharmaceuticals, construction-anchors industries.	Euro	10	8
MSSL Advanced Polymers s.r.o MSSL Holding: 100% Country: Czech Republic	Supplies products to leading European automotive Tier-I suppliers. The product range includes connecting door rods, plastic parts safety belts, connectors, sensing elements, covers, parts for pneumatic dispatch, visible parts for roof rays, plastic parts for fuel tanks etc.	Euro	27	34
MSSL GmbH MSSL Holding: 100% Country:Germany	Supplies plastic components to Tier 1 customers and also acts as the holding Company and corporate office providing support to the European entities.	Euro	18	14
Motherson Orca Precision Technology GmbH MSSL Holding: 95.1% Country:Germany	Serves automobile and auto component manufacturers and tier 1 customers. The product range includes precision turned parts for fuel injection, fuel pump, emission controls, pressure sensors, air condition systems etc.	Euro	7	7
Motherson Techno Precision México, S.A. de C.V MSSL Holding: 95.1% Country:Mexico	Provides engineering, design and prototype services, mainly to wiring harnesses customers in Americas.	Euro	9	8
MSSL Manufacturing Hungary Kft MSSL Holding: 100% Country:Hungary	The company was formed in October 2016 by acquiring the land, building and machinery of Abraham esTarsa Kft. It is in the business of plastic moulding	Euro	1	-
MSSL s.r.l. Unipersonale MSSL Holding: 100% Country:Italy	Provides engineering, design and prototype services, mainly to wiring harnesses customers in Europe. During the year MSSL GmbH sold the holding in MSSL s.r.l. Unipersonale to MSSL (GB) LTD.	Euro	0	0
MSSL Global RSA Module Engineering Ltd. MSSL Holding: 100% Country:South Africa	Manufacturing of moulded parts like bumpers, instrument panels, door trims, Interior Trims and fully robotic paint shop for painting body colour matched parts for leading OEMs.	ZAR	1,039	791
MSSL Japan Limited MSSL Holding:100% Country:Japan	Supplies wiring harness for heavy commercial vehicles.	JPY	2,014	2,449
MSSL México, S.A. De C.V. MSSL Holding: 100% Country:Mexico	Supplies wiring harness within MSSL and to customers in local and USA market.	MXN	349	225
MSSL WH System (Thailand) Co. MSSL Holding: 100% Country:Thailand	Manufacturing of wiring harness for leading OEMs.	THB	425	387

Subsidiaries	Nature of business	Currency	Revenue 2016-17 in million	Revenue 2015-16 in million
MSSL Korea WH Ltd. MSSL Holding: 100% Country:Korea	Supply wiring harness in Korea.	KRW	2,394	1,860
Motherson Elastomer Pty Ltd MSSL Holding: 80% Country:Australia	Manufactures orbitreadtyre compounds, conveyor belting rubber compounds, automotive component rubber compounds, weather strips, glass runs, boot and hood seals, tank straps, rubber flares, bonded components, suspension bushes, engine and transmission mounts, bump stops, large engine gaskets, silent blocs, industrial mountings and couplings, auto and truck suspension components. MEPL caters to the automotive, mining, tyreretreaders, construction, defense and rail industries.	AUD	24	19
Vacuform 2000 (Pty) Limited MSSL Holding: 51% Country:South Africa	Manufacturing of Vacuum-forming, thermo-formed products, polyurethane moulded products and blow moulded products majorly for automotive industry. The Company supplies components to all the leading automotive OEMs present in the region.	ZAR	159	127
MSSL Ireland Pvt. Ltd. MSSL Holding: 100% Country:Ireland	Provides design services, mainly to wiring harnesses customers. It also provides logistics support services to MSSL and MSSL Mideast, enabling them to supply online to customers in Europe.	Euro	0.4	0.4
Other Subsidiaries				
Motherson Wiring System (FZE) MSSL Holding: 100% Country:UAE	Providing building on lease at UAE to Motherson group companies and receiving rental income for the same.	Euro	0	0
MSSL (S) Pte Ltd. MSSL Holding: 100% Country:Singapore	Provides support to MSSL and its group companies mainly for international purchasing. The Company is also a holding company for the group investments in MSSL Australia Pty Ltd., MSSL Japan, MSSL México S.A. De C.V., MSSL WH System (Thailand) Co., Ltd and MSSL Korea WH Limited. During the year MSSL (S) Pte Ltd sold the holding in MSSL Ireland Pvt. Ltd to MSSL (GB) LTD.	SGD	1	1
MSSL Australia Pty. Ltd. MSSL Holding: 80% Country:Australia	The Company is a holding company and corporate office providing support to the Australian entities. During the year MSSL (S) Pte Ltd. sold the holding in MSSL Australia Pty. Ltd. to MSSL Mauritius Holdings Ltd.	AUD	-	-
MSSL Investment Pty. Ltd. MSSL Holding: 80% Country:Australia	Providing land and building on lease at Bendigo to its fellow subsidiary Motherson Elastomers Pty Ltd.	AUD	-	-

Subsidiaries	Nature of business	Currency	Revenue 2016-17 in million	Revenue 2015-16 in million
MSSL Mauritius Holdings Ltd. MSSL Holding: 100% Country:Mauritius	The Company is holding investments in Global Environment Management (FZC), Samvardhana Motherson Global Holdings Ltd., MSSL Global RSA Module Engineering Limited and Vacuform 2000 (Pty) Limited.	Euro	7	5

Joint Ventures

AS per Ind AS requirement JV companies are now being consolidated using the equity method.

The summary of financial highlights and brief of the major JV companies is as follows:

Joint Ventures	Nature of business	MSSL Holding 2016-17	Revenue 2016-17 in million	Revenue 2015-16 in million
Kyungshin Industrial Motherson Ltd.	KIML is a joint venture between Kyungshin Corporation (KIC), South Korea and Motherson Sumi Systems Ltd. The Company manufactures wiring harnesses at three locations in Chennai (India). The Company is a single source of wiring harness for Hyundai Motor India Ltd. for its complete range of cars manufactured in India. It caters exclusively to Hyundai Motors. The Company has the facility of conveyorised mass production of wiring harness.	50%	13,335	12,376
Calsonic Kansei Motherson Auto Products ltd.	The Company is a joint venture between Motherson Sumi Systems Ltd. and Calsonic Kansei, Japan. The manufacturing units are located in Manesar and Chennai in India. The Company specializes in the manufacture of climate- control systems including HVAC modules, compressors, body control modules and meters clusters for the automotive industry.	49%	5,371	4,951
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. (through SMR) (Includes Chongqing SMR Huaxiang Automotive Products Limited)	The company is a joint venture between Ningbo Huaxiang Electronic Co., Ltd, and SMR Automotive Mirror Systems Holding Deutschland GmbH. The company is mainly engaged in the development, manufacture of automotive mirrors, filler caps, exterior door handles, automotive electrical appliances and automotive instrument sets, as well as after sale services.	50%	12,627	9,988
Celulosa Fabril S.A. (CEFA) (through SMP automotive technology Iberica S.L) (Including Modulos Ribera Alto S.LU.)	Celulosa Fabril S.A. (CEFA) is a leading Spanish company in the development and production of components for the automobile industry based mainly on the technology of injection of plastic materials. It is the parent company of Módulos Ribera Alta, S.L ("MRA"). CEFA is a joint venture with Blanos Participaciones, S.L.	50%	#	8,008

Joint Ventures	Nature of business	MSSL Holding 2016-17	Revenue 2016-17 in million	Revenue 2015-16 in million
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	The company is a joint venture with Eissmann Automotive Slovensko s.r.o.. It is a supplier of high-quality leather interior equipment. It is one of the world's leading manufacturers of high-quality control panels, trim panels and complete vehicle interiors, and works with almost all major automotive manufacturers.	49%	4,285	3,039
Global Environment Management (FZC) (held by MSSL Mauritius Holdings Limited) (Included Global Environment Management Australia Pty Limited)	Marketing its key product Aerobin in Australia. The product re-cycles household and garden wastes into beneficial compost without any use of electricity or chemicals which helps in avoiding dumping of household waste into landfill.	78.82%	19	11

During March 31, 2017, the group acquired controlling interest of CEFA and it becomes subsidiary of the company.

The company's share in net profit of associates and joint ventures is ₹1,831 million in FY 2016-17 as compare to ₹1,377 million in FY 2015-16.

RISK MANAGEMENT

The company in its capacity as an internationally active supplier for the automobile industry is exposed to various risks with each of its business segments and products. The company has global presence and decentralized management structure. Concentrating on the plants make it necessary for implementing an organized risk management system. The Company is therefore exposed to risks associated with global organizations and automotive industry in particular.

The Company has set up a Risk Management Committee (RMC) at the board level to periodically review operating, financial and strategic risks in the business and their mitigating factors. RMC has formulated Risk Management Policy for the Company which was approved by the Board. The policy outlines the risk management framework to help minimize the impact of uncertainty on the Company's strategic goals. The framework enables a structured and disciplined approach to risk management. The Group has developed guidelines on risk controlling and the use of financial instruments. These guidelines contain a clear allocation of duties. Risks are controlled and monitored by means of operational and financial measures.

The successful management of opportunities and risks is part of operating a business and is the primary task of all management personnel. During the regular management meetings at all management levels, opportunities, risks and optimisation measures are reviewed in detail. Any exceptional situations having potential risk are identified and treated at the early stage to minimize their impact on financial and income positions.

Below are the main areas of risks which can impact the company:-

- Price risk
- Forex risk
- Interest rate risk
- Credit risk
- Liquidity risk
- Market risk
- Information technology risk

Details about all the risks is explained in "Financial Risk Management" section of financials and Risk Management Committee are set out in the Directors' Report, which forms part of this report.

INTERNAL CONTROL SYSTEMS

The Company has a large global footprint and it is of utmost importance that the company's systems and process across the group is robust at all times. The company invests sizeable resources to ensure that internal control processes meet the best practices.

The Company has adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The Company has appointed internal auditors to carry out both system and financial audit of its activities. The audit findings are reviewed by the Audit Committee at regular intervals, details of which have been provided in the corporate governance report. Suggestions for improvement are considered and the Audit Committee follows up on corrective action. The Company has also identified various business risks and laid down necessary procedures for mitigation of the same. Given the geographical spread of the operations of the Company, it has devised adequate systems to ensure statutory compliances at each location and these are monitored regularly.

Management has assessed the effectiveness of the Company's internal control over financial reporting (as defined in Clause 17 of SEBI Regulations 2015) as on March 31, 2017. The assessment involved self-review, industry review and external audit.

The statutory auditors of the Company has audited the financial statements included in this annual report and has issued an attestation report on our internal control over financial reporting (as defined in section 143 of Companies Act 2013).

HUMAN RESOURCE

The human capital is the most precious asset of any organisation. The company has a strong and diverse workforce where every employee is involved as "partners" in the progress. The intangible asset comprises all the competencies of the people within the organisation in terms of education, experience, potential and capacity. MSSL with its operations in 33 countries is a melting pot of people with different cultures, skill sets, languages, landscapes etc. It has converted this diversity into its biggest strength. The company adopts the best practices of each area and implements it across the group. A better work culture translates into better delivery to customers which results in satisfied customers.

The Company is proud to deliver value to its customers, investors and society as a whole. The unmatched employee commitment and ownership that employees have towards the organisation has translated in growth of the company over the years. Talent recruitment and retention is something that MSSL focuses on. Proper and step by step induction is given to all new employees to familiarize them with the Motherson norms – its DNA, Mantras, way of functioning and the general work ethics. This activity helps in developing sense of ownership and belongingness towards the organisation.

MSSL also lays emphasis on developing its existing manpower through training and development programs carried out at regular intervals. Skill management is stressed upon and is an ongoing process at all levels. The organisation takes interest in nurturing talent through mentorship & process specific trainings & modules.

MSSL has devised various activities and awards for its employees internally to keep them motivated and inspired. In order to promote, innovation in the processes and at workplace, Innovations Awards are awarded to the most Innovative Technical Paper among many. The organisation through activities ensures all-round development of an individual through regular synergy activities like Annual Cricket Tournament, Annual Painting Competition, InSync Quiz Competition along with festival celebrations which are organised at each unit at regular intervals. This helps in engaging the employees and provides them a level playing field to interact with fellow colleagues and their families.

MSSL encourages its employees to share their feedback regarding any improvements in their respective processes or outside the ambit of their work under its Suggestion Scheme. A panel of experts review the ideas received and if feasible implement them at the workplace. Relevant suggestions are rewarded. MSSL recognizes top performers in diverse fields & awards them at its Annual Day that hosts thousands of employees from different units under one roof. This instills a sense of pride in them & encourages others to perform.

Quality Circle Competition is the most vital employee engagement activity where employees are encouraged to present their innovative project ideas, implementations & teamwork spirit. MSSL annually conducts Quality Circle Convention- a platform for all Quality Circles from across the world to showcase their ideas and projects. Currently there are 943 Quality Circles actively operating within the Samvardhana Motherson Group. Total 2553 quality projects have been initiated in the Quality Circles with in the Samvardhana Motherson Group, out of which 1083 projects were in Subsidiaries of MSSL. 1,142 quality projects were completed during the year.

Quality Circle teams of MSSL participate in external competitions and win accolades. A few of them are as follows:

- Juran Quality Circle from Bangalore Bidadi Plant won Gold Award at TKSA Regional QC Competition held on 3rd Nov 2016 at TKML Bidadi Industrial Area.

- Juran Quality Circle from Bangalore Bidadi Plant won Silver Award at TKSA National QC Competition held on 19th Jan 2017 at TKML Bangalore.
- Creative Quality Circle from Bangalore Kumbalgodu Plant won Gold Award at QCFI Quality Circle Convention (Mysore Chapter).
- Juran Quality Circle from Bangalore Bidadi Plant won Gold Award at QCFI Quality Circle Convention (Mysore Chapter).
- Spandana Quality Circle from Bangalore Kumbalgodu Plant won Gold Award at QCFI Bangalore Chapter Convention held on 23rd Oct 2016 at T. John Institute of Technology, Bangalore.
- 6. Chasers Quality Circle from Bangalore Kumbalgodu Plant won Gold Award at QCFI Bangalore Chapter Convention held on 23rd Oct 2016 at T. John Institute of Technology, Bangalore.
- Ayushi Quality Circle from Bangalore Bidadi Plant won Gold Award at QCFI Bangalore Chapter Convention held on 23rd Oct 2016 at T. John Institute of Technology, Bangalore.
- Fortune Quality Circle from Bangalore Bidadi Plant won Gold Award at QCFI Bangalore Chapter Convention held on 23rd Oct 2016 at T. John Institute of Technology, Bangalore.
- Mindspark Quality Circle from Pune Marunji Plant won Gold Award at QCFI Pune Chapter Convention held on 11th June 2016.
- Utsav Quality Circle from Pune Marunji Plant won Gold Award at QCFI Pune Chapter Convention held on 11th June 2016.
- Phoenix Quality Circle from Chennai 2 Plant won Gold Award at QCFI Chennai Chapter Convention held on 10th & 11th Sep 2016 at Kazhipathur, Chennai.
- Tulip Quality Circle from Chennai 1 Plant won Gold Award at QCFI Chennai Chapter Convention held on 10th & 11th Sep 2016 at Kazhipathur, Chennai.
- Rose Quality Circle from Chennai 1 Plant won silver Award at QCFI Chennai Chapter Convention held on 10th & 11th Sep 2016 at Kazhipathur, Chennai.
- Mission Quality Circle from Noida Sector-64 won Gold Award at QCFI Delhi Chapter Convention held on 24th September 2016 at BML Munjal University, Dharuhera (Rewari).
- Ideal Quality Circle from Sector-84, DTA won Gold Award at QCFI Delhi Chapter Convention held on 24th September 2016 at BML Munjal University, Dharuhera (Rewari).
- MindSpark Quality Circle from Pune Marunji was adjudged as Winner in 29th Quality Circle Maharashtra State Level competition held on 21st September 2016 at Kolhapur organized by CII (Confederation of Indian Industry).
- Spandana Quality Circle from Bangalore Kumbalgodu plant was adjudged as Winner in South Region Supplier's NH Circle Competition 2016~17" organized by Honda Motorcycle & Scooter India Pvt. Ltd. on 25th July 2016 at 3F Narasapur.
- Prerna Quality Circle from Gurgaon plant won the Northern Region Quality Circle Competition organized by ACMA held on 1st July 2016 at PHD House, Delhi.
- Prerna Quality Circle from Gurgaon plant secured 2nd Position in the National Quality Circle Competition organized by ACMA held on 05th Aug 2016 at Hotel Mapple Emerald, New Delhi.
- Prerna Quality Circle from Gurgaon plant won the Maruti Suzuki Quality Circle Award.
- Analysed Improvements Quality Circle from CU III Export won "Gold Trophy" award at Quality Circle Forum of India (QCFI) Chennai Chapter. Quality Circle Convention at Anand Institute of Higher Technology, Kazhipathur, Chennai on 10 & 11/09/2016.
- Multipersonal Quality Circle from CU III Domestic won "Gold Trophy" award at Quality Circle Forum of India (QCFI) Chennai Chapter. Quality Circle Convention at Anand Institute of Higher Technology, Kazhipathur, Chennai on 10 & 11/09/2016.
- Phoenix Quality Circle from CU I won "Silver Trophy" medal award at Quality Circle Forum of India (QCFI) Chennai Chapter. Quality Circle Convention at Anand Institute of Higher Technology, Kazhipathur, Chennai on 10 & 11/09/2016.
- Focused Improvement Quality Circle from CU III Telecom won "Silver Trophy" award at Quality Circle Forum of India (QCFI) Chennai Chapter. Quality Circle Convention at Anand Institute of Higher Technology, Kazhipathur, Chennai on 10 & 11/09/2016.
- KING ROBOTS Quality Circle from FSP II won "Silver Trophy" at Quality Circle Forum of India(QCFI) Chennai Chapter. Quality Circle Convention at Anand Institute of Higher Technology, Kazhipathur, Chennai on 10 & 11/09/2016.
- Detonators and Tandem circle Quality Circles from FSP I won "Gold Trophy" at Quality Circle Forum of India (QCFI) Chennai Chapter. Quality Circle Convention at Anand Institute of Higher Technology, Kazhipathur, Chennai on 10 & 11/09/2016.
- Ujjwal Quality Circle from MATE Noida won from "Gold" award at Quality Circle Forum of India (QCFI) 2016 at Munjal University, Dharuhera 24th Sep 2016.
- Shine, Koshish, Sandesh, Chintan, Ananta Quality Circles from MATE Tapukara won "Gold Trophy" award at Quality Circle Forum of India (QCFI) 2016 at Munjal University, Dharuhera
- Ananta Quality Circle from MATE Tapukara won "Silver Trophy" award at Quality Circle Forum of India (QCFI) 2016 at Munjal University, Dharuhera

- Lakshya, Safalta, Shikhar, Manzil Quality Circles from MATE Manesar won "Gold" award at Quality Circle Forum of India (QCFI) 2016 at Munjal University, Dharuhera
- Drishti Quality Circle from MATE Pune won "Gold" award in QCFI 49th Mini Convention on Quality Circle & Its Allied Concepts on 11-06-2016
- Safalta Quality Circle from MATE Manesar won "Par Excellence" award at NCQC 2016 at Shri Shakaracharya College, Raipur
- Shikhar Quality Circle from MATE Manesar won "Excellence" award at NCQC 2016 at Shri Shakaracharya College, Raipur
- UJJWAL Quality Circle from MATE Noida won "Par Excellence" award at NCQC 2016 at Shri Shakaracharya College, Raipur
- Shine, Koshish, Sandesh Quality Circles from MATE Tapukara won "Excellence" award at NCQC 2016 at Shri Shakaracharya College, Raipur 16-19 Dec-16.
- PHOENIX Quality Circle from CU I won "Par Excellence" award at NCQC 2016 at Shri Shakaracharya College, Raipur
- DETONATORS Quality Circle from FSP I won "Par Excellence" award at NCQC 2016 at Shri Shakaracharya College, Raipur
- King Robot Quality Circle from FSP II won Par "Excellence award" at NCQC 2016 at Shri Shakaracharya College, Raipur
- UTSAH Quality Circle from SMIIEL TD has received the "EXCELLENCE AWARD" at the 11th Manufacturing Capability No.1 activity Presentation of Component Group held on 10th May 2016 at Sumitomo Wiring Systems – Japan
- Utsah Quality Circle from SMIIEL TD has won the "Par Excellence" Award in 30th National Convention on Quality Concept (NCQC) 2016, held at city Raipur on 17.12.16
- Sahyog Quality Circle from SMIIEL TD has won the "Excellence" award in 30th National Convention on Quality Concept (NCQC) 2016, held at city Raipur on 17.12.16
- Sahyog Quality Circle from SMIIEL TD has won the "EXCELLENCE AWARD" at the 12th Manufacturing Capability No.1 activity Presentation of Component Group held on October 28, 2016 at Sumitomo Wiring Systems – Japan, for independent activities and continuous efforts towards improvement and development of workplace.
- Utsah , Sahyog , Manthan Quality Circle from SMIIEL TD has won "Gold" award in QCFI 2016
- Unmukt , Ujala Quality Circle from SMIIEL CD has won "Silver" award in QCFI 2016
- Vijeta Quality Circle from SMIIEL CD has won "Bronze" award in QCFI 2016

MSSL initiates a number of welfare activities for its employees which further enhance their sense of belongingness towards the organization. To list a few activities: health & eye checkup camps are conducted at all MSSL locations periodically to safeguard the health of employees, fire drills, safety workshops & other safety & security exercises are held to create awareness regarding safety & security amongst the employees.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

Environment, Health & Safety (EHS) – a lot of importance is placed on all the three parameters. Safety first is the philosophy in MSSL. A safe and healthy workplace has always been one of the highest priorities of MSSL. The Human Resource Department at MSSL assumes the overall responsibility for employees health and safety. At the grassroot, all departmental heads and supervisors are responsible for maintaining safe working conditions of their employees in their respective departments and units, most of which are accredited ISO 14001 units.

Every employee of MSSL is guided by the values of its Corporate Social Responsibility codes and committed to meeting the highest standards of corporate citizenship within the realms of the company's vision. MSSL complies with regulations, advocates for progressive environmental policies, and protects workers' safety as part of its corporate responsibility. The Company recognises its corporate responsibility to carry out its operations whilst minimizing the impact on the environment. It also aims to comply with all applicable environmental legislation to prevent pollution and to minimise environmental damage occurring as a result of its activities.

The company carried various conservation drives such as reducing paper wastage etc. Tree plantation is an activity carried out in units at regular intervals. This is done with the objective of promoting a green and pollution free environment. A special team, called the 'Green Team', has been created to take green initiatives such as using environmental friendly products etc.

Safety trainings and workshops are undertaken by the organisation for all its employees regularly and ongoing basis. The trainings aim to educate the employees and raise awareness about the importance of their safety and various safety programs and policies of the organisation. Safety audits are carried out at regular intervals in all the units. The training modules designed for new employees, gives an insight into the safety norms to be followed and be aware of. Work permits to employees are issued which cover all aspects of safety before, during and after the work. MSSL lays emphasis on safety management, employee training, and injury prevention.

As an organisation, MSSL takes the responsibility of creating a positive impact on the communities where it does business across the globe where it has its footprints. Every year MSSL observes a Safety Week. This year it was from 04th ~10th March 2017 across all its units. This is in line with its commitment to the health and safety of employees. The main objective of the week was to "Make the workplace Safe, Secure & Injury Free". This year, the week saw a series of programs and activities including safety training sessions for staff, bus drivers, ambulance drivers, forklift drivers etc. Similar safety awareness training was also imparted to external contractors' services such as the canteen, housekeeping & security personnel. Other activities carried out during the week included display of safety banners, distribution of safety badges, a quiz competition on safety measures as well as a safety march for the workers on the shop floor of various units.

Global Environment Management, a MSSL subsidiary, is dedicated towards developing products for improving the environment. Its first product, Aerobin, is a technological breakthrough in home and garden waste management that allows households to effectively recycle organic waste at home. The product helps the average household divert 50% of its waste away from landfill, into compost. The Company's polymer and mirror divisions also work on developing new lightweight products and support the weight reduction programs of their customers in order to reduce vehicle weight and resultant reduction in emissions because of less fuel consumption. Axis less mirror from SMR is an example of weight reduction. MSSL is trying to continuously meet new challenges posed in this area, creating systems to better deal with issues related to Environment, Health and Safety on priority basis in its every day functioning.

OPPORTUNITIES AND FUTURE PROSPECTS

Overall, the global automotive industry is in good shape. Particularly in the US market where sales and profits are showing market improvements and China, where growth remains strong. This progress is likely to continue.

In the automotive space, companies need to adapt to changing regional and segment patterns of supply and demand with respect to their production and supply base footprints, supply chains, and product portfolios at a faster pace to stay competitive.

MSSL sets its target on 5 year plans. This is 5th Plan and the company in executing Vision 2020. While there are developments in automotive industry, the company is well positioned to meet its challenges, given that the company's products are agnostic to power train. The future requires more platform sharing and more modular systems. Rising complexity encourages more platforming, which is an opportunity for MSSL. The need of the hour is innovative solutions for active safety and infotainment. Further the company operates in very close cooperation with its customers and Motherson Innovation gives us platform to innovate and prepare itself for newer technologies and solutions to the OEMs.
The wide global spread across 33 countries helps it cater to its customer needs locally. 7 new facilities are coming up globally which are in various stages of completion. They help the company to be prepared to serve its customers locally allowing it to capitalize on the changing trends in the global automotive space.

With the acquisition of PKC Group the company has extended its portfolio to the wiring harness segment of commercial vehicles in North America and Europe markets. The acquisition has helped MSSL to further expand its wiring harness footprint globally. The acquisition has also brought the company closer to its 2020 revenue targets.

MSSL continues to focus on developing more content per car. The drive to deliver more to its customers has been MSSL's most unique and continued approach to its growth strategy. This approach has over the years effectively converted the current challenges into opportunities.

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

General information about the Company		Details
1	**Corporate Identity Number (CIN) of the Company**	L34300MH1986PLC284510
2	**Name of the Company**	Motherson Sumi Systems Limited
3	**Registered address**	Unit 705, C Wing, ONE BKC, G Block,BandraKurla Complex, Bandra East,Mumbai – 400051, Maharashtra, India
4	**Website**	www.motherson.com
5	**E-mail id**	investorrelations@motherson.com
6	**Financial year reported**	2016-17
7	**Sector(s) that the Company is engaged in(industrial activity code-wise)**	
	Name and description of main product/services **NIC Code of the product / service** Wiring harness and components Polymer products	 29304 29302
8	**List three key products/services that the Company manufactures/provides (as in balance sheet)**	Wiring harnesses Rear view mirrors Polymers and modules
9	**Total number of locations where business activity is undertaken by the Company**	
	i. Number of international locations	International: 33Countries Europe 16 Americas 4 Asia 10 Australia 1 Africa 2
	ii. Number of national locations	Domestic: Across India
10	**Markets served by the Company – Local/ State/ National/ International**	Europe, Americas, Asia, Australia, Africa

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Financial details of the Company		FY 2016-17 Standalone ₹ in million	FY 2016-17 Consolidated ₹ in million
1	Paid up Capital	1,404	1,404
2	Total Turnover		
	(a) Revenue from operations	70,632	432,749
	(b) Other income	1,069	1,463
3	Total Profit After Taxes	8,273	15,543

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 0.20% (₹14 million) of average profit for previous three years in respect of standalone Motherson (computation as prescribed by the Companies Act, 2013).

5. **List of activities in which expenditure in 4 above has been incurred:**

   a) Skill Development

   b) Health and wellness

   c) Waste management & sanitation

Section C: Other Details

Other details		Details
1	Does the Company have any Subsidiary Company/ Companies?	Yes
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, all the subsidiaries (in total 136) participate in BR activities.
	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 % of such entity/entities? [Less than 30%, 30-60%, More than 60%]	All our customers are Original Equipment Manufactures (OEMs) and as per our understanding & information, all of them have their own BR initiatives. Suppliers are encouraged to participate in the Company's BR initiativesbeing a responsible business.

SECTION D: BR INFORMATION

1. DETAILS OF DIRECTOR/DIRECTORS RESPONSIBLE FOR BR

a) Details of the Director/Directors responsible for implementation of the BR policy/policies

DIN Number	DIN 00194931
Name	Mr. Pankaj Mital
Designation	Whole time Director/ Chief Operating Officer

b) Details of BR head

DIN Number (if applicable)	N.A
Name	Mr. G. N. Gauba
Designation	Chief Financial Officer & Company Secretary
Telephone number	+91-120-6679500
e-mail id	investorrelations@motherson.com

LIST OF PRINCIPLES

Principle 1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3 Businesses should promote the wellbeing of all employees

Principle 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

Principle 5 Businesses should respect and promote human rights

Principle 6 Business should respect, protect, and make efforts to restore the environment

Principle 7 Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8 Businesses should support inclusive growth and equitable development

Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

2. PRINCIPLE-WISE (AS PER NATIONAL VOLUNTARY GUIDELINES) BUSINESS RESPONSIBILITYPOLICY/ POLICIES (REPLY IN Y/N)

S. No	Question	Principle (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	Do you have a policy for..	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify?	N	N	N	N	N	N	N	N	N
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	N	N	N	N	N	N	N	N	N
6	Indicate the link for the policy to be viewed online?	http://www.motherson.com/corporate-governance.html								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

2A. IF ANSWER TO S.NO. 1 AGAINST ANY PRINCIPLE, IS 'NO', PLEASE EXPLAIN WHY: (TICK UP TO 2 OPTIONS)

S.No	Question	Principle (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. GOVERNANCE RELATED TO BR

1. **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 Chief Operating Officers of the respective divisions periodically review the BR performance of the Company. The action points emerge from the discussions at these meetings are reviewed in subsequent meetings to ensure their closure.

   Besides, the CSR Committee of the Board reviews the Social (CSR) performance of the Company as per the Companies Act, 2013.

2. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   The Company is in process of formalising sustainability report for publishing.

SECTION E: PRINCIPLE-WISE PERFORMANCE

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/ Joint Ventures/ Suppliers/Contractors/ NGOs /Others?**

   The Company's Code of Conduct and Ethics ensures compliance to the Company's standards of business conduct and ethics and regulatory requirements,it is available on the intranet and on the Company's webpage. All the group companies are covered by the Code of Conduct.Code of conduct forms part of term of appointment letter and is sign at the time of joining the Company. The middle and senior management sign the Code of Conduct every year. The Company has in place a Whistle Blower Policy and is communicated through various means including publication on the Company's website.

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.**

   No complaints were received during the year 2016-17, from various stakeholders.

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.**

   - Wiring harnesses
   - Super slim copper cables
   - Compressed ultra slim copper cables

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   A. **Reduction during sourcing/ production/ distribution achieved since the previous year throughout the value chain?**

   B. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   MSSL is committed to save resources by adopting latest technology.Sincewiring harness for the vehicles, transmitting power and signals to electric equipment, has the tendency to increase its size and weight due to the growth of new equipment and electric systems, the weight and physical size reduction is required for vehicle compactness and fuel efficiency considering environmental impact.

   Use of very thin walled cables, power distribution modules, electronic junction boxes and other weight and size reduction techniques are applied by MSSL to the wiring technology for automobiles to provide safe, comfortable and environment-friendly products for the vehicles. The optimized designs and technologies resulted in saving of raw materials and power consumption, directly at MSSL and indirectly in entire supply chain.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)?** - Yes

   A. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

   Sustainable sourcing describes a sourcing exercise which goes beyond economic considerations and takes into account environmental, social and ethical factors as well. It is a widely practiced tool within Motherson and the endeavour is to maximise its reach with every passing year. Motherson has a stated environment policy and an occupation health and safety policy. The vendors have to ensure compliance to these policies. It covers various issues like health of their workers deployed, safety measures adopted, discharge from equipment, hygiene norms etc. The adherence to the policy is inspected periodically and actionsare taken on the deviations if any.

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?

MSSL undertakes initiatives to build capacities of the suppliers. Further, MSSL keeps on developing local vendors, the Company's Quality teams visit their facilities, analyses quality related aspects, and create action plans jointly with the suppliers, customers and monitored performance.In the current year, the Company strengthened efforts towards quality across the value chain. Several initiatives were taken in this direction. The Company supports suppliers with knowledge in specific areas that have a major impact on quality. During the year, training sessions were conducted for vendor personnel to share best practices in quality systems and manufacturing processes.

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.**

The nature of the Company's business is such that there are no significant emissions or process wastes. The focus of the Company is to recycle the waste. The Company recycle materialswherever it is usable within the Company,which cannot be reused is disposedoffin a manner that waste will be recycled.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELLBEING OF ALL EMPLOYEES

1. **Please indicate the total number of employees.**

The total number of employees was 73,791 as on March 31, 2017 in the Company (including its Subsidiaries).

2. **Please indicate the total number of employees hired on temporary/ contractual/casual basis.**

The total contractual/temporary manpower employed was 36,709 as on March 31, 2017 in the Company (including its Subsidiaries).

3. **Please indicate the number of permanent women employees.**

There were 9,700 permanent female employees as on March 31, 2017 in the Company (including its Subsidiaries).

4. **Please indicate the number of permanent employees who are differently abled.**

There were 630 differently abled permanent employees as on March 31, 2017 in the Company (including its Subsidiaries).

5. **Do you have an employee association that is recognised by management?**

Motherson group has proactive HR practices and policies and has participation of work councils and associations in different locations.

6. **What percentage of your permanent employees is members of this recognised employee association?**

7%

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 March 31, 2017
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Permanent Employees	70%
Permanent Women Employees	63%
Casual/Temporary/Contractual Employees	94%
Differently abled employees	37%

Safety training is a part of the induction process and all employees mandatorily go through one day safety training, including firefighting training. For shop floor workers, periodic safety training is organised as per the annual safety calendar.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALISED.

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 & marginalised stakeholders?**

   - Yes

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so**

   For socio-economically disadvantaged sections of the society, the Company is implementing following three CSR programmes:

   a) **Skill Development**

   Skill development initiatives are undertaken by MSSL regularly and the Company engages with the communities regularly and implements development programmes(such as education forpoor and people in rural locations).These issues are critical to the community members. There is concerted effort to involve the community's participation in the programmes, wherever feasible.

   b) **Health and wellness**

   Water and sanitation, education and rural development are the critical issues of society, MSSL has setup facilities like water purifier in the rural location as well as the Company creates awareness among people about sanitation and clean water for their better health.The Company is enhancing infrastructure across business locations in rural areas for the health and ease of life for the people. For the good health of people, the Company organises blood donation camps and health check-up camps regularly to make people more aware.

   c) **Waste management & sanitation**

   Motherson initiates awareness for the use of Aerobins. Aerobin is a home and garden containment system which enables households to divert all organic kitchen and garden recyclable materials away from landfill. Instead, the resulting compost can be added to garden soil to complete the natural carbon cycle, thereby avoiding the generation of greenhouse gases in the collection, transportation and anaerobic decomposition that would otherwise occur at landfill. Aerobin incorporates patented technology that supports a healthy aerobic decomposition of the biomass materials without the need for manual intervention. The patented aeration system along with integral insulation ensures that composting happens year round, even in cold climates. This technology can contribute enormously to the well being of communities through a cleaner environment and pollution reduction in a simple, easily adoptable way.

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 policy is applicable to Motherson, its subsidiaries and vendors. The Company's commitment to follow the basic principles of human rights is reflected in the checks and balances within the HR processes. The commitment to human rights is embedded in the 'MSSL Code of Conduct', adopted by the Company. All employees, including security personnel, are sensitised to human rights as part of their orientation programme.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company did not receive any stakeholder complaint in 2016-17 regarding human rights.

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.**

   Environmental Policy is applicable to all the business units/groups and extends to business partners including suppliers, vendors and contractors.

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 an 'Environment Policy' which guides the organisation to continually mitigate the impact on climate change and global warming as a result of our operations. The Company works continuously to reduce the waste and focused on creating green infrastructure which are designed for better energy efficiency and efficient operations.

Refer Directors' Report for details in relation to environment conservation and technology absorption.

3. **Does the company identify and assess potential environmental risks?**

Yes, potential environmental risks are identified as a part of the Company's risk management activity and feature in the Company's risk library. The Company regularly reviews its environmental risks and undertakes initiatives to mitigate them.

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?**

Most of the locations in India are certified for requirements under ISO 14001 (Environmental Management System) and OHSAS 18001 (Occupational Health and Safety System). Audits by independent auditors are carried out to check the level of compliance. Deviation management system ensures that the corrective actions are close looped and issues are addressed within a reasonable time frame. Environment, Health and Safety (EHS) performance assessment is carried out annually to review the situation and identify the areas for improvement. Objectives are established for the next year and improvement programs are prepared and deployed.

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.**

Covered under Directors' Report, which forms a part of the Annual Report.

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

All emissions and waste generated by the Company are within the permissible limits given by CPCB/SPCB.

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.**

- None

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:**

Motherson regularly engages with industry bodies, expert agencies and contributes to the policy making process. An indicative list of the Company's major memberships is:

a. Automotive Component Manufactures Association of India (ACMA)
b. Federation Of Indian Export Organisation
c. Society Of Indian Automobile Manufacturers
d. Wiring Harness Manufacturing Association
e. Federation Of Indian Chambers of Commerce & Industry
f. Indo German Chamber Of Commerce
g. The Associated Chambers of Commerce & Industry of India
h. Motor & Equipment Manufacturers Association (USA)
i. Confederation of Indian Industry

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas**

No

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.**

The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. Details on the same have been shared in Principle 4.

The Company has aligned its CSR programmes with the requirements of new Companies Law 2013. The Company has set up a three members CSR Committee of the Board. The Company's CSR Policy has been approved by the CSR Committee and the Board (www.motherson.com/corporate-social-responsibility.html). The CSR programmes are mentioned in the CSR policy.

2. **Are the programmes/projects undertaken through in-house team/own foundation/ external NGO/ government structures/any other organisation?**

   The CSR programmes of the Company are run through NGO partners and other agencies having subject expertise.

3. **Have you done any impact assessment of your initiative?**

   The CSR programmes and their impacts/ outcomes are monitored and reviewed by the CSR Committee periodically.

4. **What is your Company's direct contribution to community development projects-Amount in ₹ and the details of the projects undertaken.**

   Details on the Company's CSR programmes on community development have been shared in Principal 4, question 3.

   In 2016-17, the Company spent ₹14 million on community development projects under CSR initiatives.

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. Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits to the community. Internal tracking mechanisms are regularly carried out. The Company has engaged highly trained employees to drive and monitor the CSR activities.

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.**

   The Company has a robust system for addressing customer complaints. The customer cases filed against the Company for defects in the vehicles or relating to sales are not significant in number compared with annual sales volume.

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)**

   Not applicable as the Company supplies to Original Equipment Manufacturers (OEMs) and there is no direct visibility for the end user.

3. **Did your Company carry out any consumer survey/ consumer satisfaction trends?**

   The Company receives numerus customer awards for contribution to their business such as quality excellence, design development, best performance etc. which represents customer satisfactions. Awards are mentioned in details in "Awards and Recognition" of the annual report.

4. **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.**

   No court case has been filed against the Company regarding unfair trade practices or irresponsible advertising against the Company.

BOARD'S REPORT

To the members,

Your Directors have the pleasure in presenting the **30th Annual Report** together with the audited financial statements of the Company for the financial year ended March 31, 2017. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

The Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rule, 2015 with effect from April 1, 2016, pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs. Financial Statements for the year ended and as on March 31, 2016 have been restated to conform to Ind AS. Note 47 to the consolidated financial statement provides further explanation on the transaction to Ind AS.

FINANCIAL RESULTS

The summarized financial results for the year ended March 31, 2017 and for the previous year ended March 31, 2016 are as follows:

₹in Million

Particulars	Standalone		Consolidated	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Gross Revenue from operations	70,632	58,819	432,749	378,627
Net Revenue from operations	63,478	52,930	424,934	372,163
Other Income	1,069	1,708	1,463	392
Profit before depreciation, interest and tax	**13,829**	**12,014**	**44,310**	**35,874**
Less: Depreciation and amortisation expense	1,977	2,008	10,591	10,872
Less: Finance Costs	124	474	3,749	3,450
Less: Exceptional Expenses	-	-	974	-
Add: Share of profit / (loss) in associates	-	-	1,831	1,377
Profit Before Tax	**11,728**	**9,532**	**30,827**	**22,929**
Less: Provision for Tax	3,455	2,346	9,103	5,192
Less: Minority Interest	-	-	6,181	4,814
Profit after tax	**8,273**	**7,186**	**15,543**	**12,923**
Add: Balance brought forward	15,238	15,049	32,661	26,608
Profit available for appropriation	23,511	22,235	48,204	39,531

OPERATIONS AND PERFORMANCE

On consolidated basis for the year 2016-17, your company achieved total revenue of ₹424,934 million resulting in a growth of about 14% over its revenue of ₹372,163 million of the previous financial year ended March 31, 2016. Net profit for the year at ₹15,543 million was higher by 20% over the previous year's net profit of ₹12,923 million.

On standalone basis for the year 2016-17, your company achieved total revenue of ₹63,478 million resulting in a growth of about 20% over its total revenue of ₹52,930 million of the previous financial year ended March 31, 2016. The profit after tax for the year ended March, 2017 at ₹8,273 million was higher by 15% from the previous financial year ended March 31, 2016 at ₹7,186 million.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis, which forms part of this Directors' Report.

RAISING OF FUND AND ISSUANCE OF SHARE

The Company had raised funds by way of capital last time in 2005-06 by issue of Foreign Currency Convertible Bonds (FCCBs) of Euro 50.30 Million, which got fully converted into equity shares.

After the interval of more than ten years, your company decided to raise equity funds during the financial year 2016-17.

Accordingly, your Company on September 12, 2016 and September 16, 2016, has made allotment of 17,762,460 equity shares and 62,884,827 equity shares of ₹1/- each to Sumitomo Wiring Systems Limited, Japan on preferential basis and Qualified Institutional Buyers, respectively, at an issue price of ₹317/- per equity share (including premium of ₹316/- per equity share). The total funds raised amounted to ₹25,565 Million consequent upon issuance of equity shares to Sumitomo Wiring Systems Limited on Preferential basis and through Qualified Institutional Placement. Share issue expenses amounting to ₹288 million have been charged to Securities Premium Account as per the provisions of Companies Act, 2013.

After the allotment of Shares, the paid-up capital of the Company has been increased to ₹1,403,526,327/- divided into 1,403,526,327 equity shares of ₹1/- each.

The proceeds from the issuance of shares have been utilized for investment overseas for acquisition of PKC Group plc. during March, 2017.

BONUS SHARES

Subsequent to the year, your Company has issued 701,763,164 equity shares of face value of ₹1/- each on account of the issue of Bonus Shares on July 8, 2017 in the ratio of one share against two shares held.This is eighth time the Company has rewarded its shareholders through a Bonus Issue.

After the allotment of Bonus Shares, the paid-up capital of the Company increased to ₹2,105,289,491/- divided into 2,105,289,491 equity shares of ₹1/- each.

DIVIDEND

The Directors are pleased to recommend for approval of the members a payment of dividend of ₹2/- per share on the expanded share capital (including the present bonus shares) of the Company for the financial year ended March 31, 2017 to the equity shareholders.

The dividend, if approved by the members would involve total cash outflow on account of dividend including dividend tax of ₹5,068 Million resulting in a payout of 61% of the standalone profits of the Company and 33% of the consolidated profits of the Company.

CREDIT RATING

The Board is pleased to inform that during the current year Moody's Investors Service, ("Moody's") has assigned Baa3 foreign currency and local currency issuer ratings to the Company.

The Company continues to enjoy "A1+" rating by ICRA for its commercial paper / short-term debt program of ₹1,500 million.

CRISIL has assigned its Corporate Credit Rating of CRISIL AA/Stable for long term loans and short term rating of 'CRISIL A1+' for its commercial paper program of ₹1,500 million.

During the year ICRA continues long terms rating to [ICRA]AA and short term rating to [ICRA]A1+ for 10,485 million line of Credit (LOC).

The strong credit ratings by leading agencies reflect the Company's established market position in the automotive components industry, its well-diversified customer base across geographies and product segments and its healthy relationships with leading global original equipment manufacturers (OEMs).

Further, Standard & Poors Global Ratings ("S&P") has revised its outlook on Samvardhana Motherson Automotive Systems Group B.V., Netherlands, (SMRP BV) a subsidiary of the Company to positive from stable on improved financial metrics while affirming 'BB+' long-term corporate credit rating on SMRP BV and Fitch Ratings ("Fitch") has rated outstanding secured bonds of SMRP BV at BBB- SMRP BV.

Furthermore, Fitch has also assigned a first time corporate rating of BB+ with a Positive outlook to SMRP BV.

FIXED DEPOSITS

The Company has neither invited nor accepted any deposits from the public during the year. There is no unclaimed or unpaid deposit lying with the Company.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Companies Act, 2013 and Ind AS 110 – Consolidated Financial Statements read with Ind AS 28 – Investments in Associates and Ind AS 31 – Interests in Joint Ventures, the audited consolidated financial statement is provided in the Annual Report.

The performance of the Company on consolidated basis is discussed at length in the Management Discussion and Analysis.

STRATEGIC ACQUISITION

During the year 2016-17, the Company has made the following acquisition :

Acquisition of shares and options of PKC Group Plc, Finland :

During the year, the company entered into Combination Agreement with PKC Group Plc. ("PKC") on 19th January, 2017 to make a voluntary, recommended public tender offer to acquire all the issued and outstanding shares and option rights in PKC. PKC is a global tier 1 supplier of wiring harness and associated components to Original Equipment Manufacturers (OEMs) in the Heavy & Medium Duty Commercial Vehicles and Locomotive segments across North America, Europe, Brazil and China.

PKC is a listed company and its shares are listed on the Nasdaq Helsinki stock exchange.

As on March 31, 2017, the Company has acquired 93.75% shares through its 100% subsidiary, MSSL Estonia WH OU, incorporated at Estonia. Subsequent to the year the Company has acquired upto 98.34% shares.

The Company has also proposed to delist the shares of PKC from the Nasdaq Helsinki stock exchange and is currently running squeeze out process for acquisition of balance shareholding from the remaining shareholder in accordance with Finnish regulations.

Acquisition of assets of Ábrahám és Társa Kft., Hungary :

The Company through its 100% subsidiary, MSSL Manufacturing Hungary Kft., acquired the land, building and machinery of Ábrahám és Társa Kft., Hungary in order to increase its European presence and provide base for expansion of manufacturing of small to medium sized polymer parts, mainly to vertically support the operations of the new upcoming Greenfield facility of Samvardhana Motherson Peguform (SMP) within the region.

Acquisition of Kobek Siebdruck GmbH & Co. KG, Germany:

The Company through its subsidiary, Samvardhana Motherson Peguform GmbH, acquired 100% of the issued share capital of Kobek Siebdruck GmbH & Co. KG (Kobek).

Kobek is a specialist in silk-screen printing and forming to three-dimensional items, with expertise in the lighting and automotive industries and solution provider from CAD data processing to turnkey printed products.

SUBSDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, details of the companies which have either become or have ceased to be the Company's subsidiaries, joint ventures or associate companies are as following :

1. Companies which have been subsidiaries (direct and indirect) during the financial year 2016-17 :

    (i) Subsidiary through incorporation :-

    - MSSL Manufacturing Hungary Kft. (for acquisition the assets of Ábrahám és Társa Kft)
    - MSSL Estonia WH OÜ (for acquisition the shares and options of PKC Group Plc.)
    - SMR Automotive Industries RUS Limited Liability Company (to cater the requirements of SMR customers in Russia)

    (ii) Subsidiary through acquisition :-

    - Motherson Innovations Lights GmbH & Co KG (formerly Kobek Siebdruck GmbH & Co. KG)
    - Motherson Innovations Lights Verwaltungs GmbH (formerly Kobek Verwaltungs GmbH
    - PKC Group Plc.

      With the acquisition of PKC Group Plc. and it becoming subsidiary of the company, the following subsidiaries of PKC Group Plc. have also become the subsidiary(ies) of the Company, namely PKC Wiring Systems Oy, PKC Netherlands Holding B.V., PKC Group Poland Sp. z o.o., PKC Wiring Systems Llc, PKC Group APAC Limited, PKC Group Canada Inc., PKC Group USA Inc., PKC Group Mexico S.A. de C.V., Project del Holding S.a.r.l., PK Cables do Brasil Ltda, PKC Eesti AS, TKV-sarjat Oy, PKC SEGU Systemelektrik GmbH, PK Cables Nederland B.V., Groclin Luxembourg S.à r.l., PKC Vehicle Technology (Suzhou) Co., Ltd., AEES Inc., PKC Group Lithuania UAB, PKC Group Poland Holding Sp. z o.o., OOO AEK, Kabel-Technik-Polska Sp. z o.o., AEES

Power Systems Limited partnership, T.I.C.S. Corporation, Fortitude Industries Inc., AEES Manufactuera, S. De R.L de C.V., Cableodos del Norte II, S. de R.L de C.V. , Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V., Arneses y Accesorios de México, S. de R.L de C.V., Asesoria Mexicana Empresarial, S. de R.L de C.V., Arneses de Ciudad Juarez, S. de R.L de C.V., PKC Group de Piedras Negras, S. de R.L. de C.V., PKC Group AEES Commercial S. de R.L de C.V., Jiangsu Huakai-PKC Wire Harness Co., Ltd. and PKC Vechicle Technology (Hefei) Co, Ltd.

(iii) Other :-

- Celulosa Fabril (Cefa) S.A. (earlier joint venture company)
- Modulos Ribera Alta S.L. (earlier joint venture company)
- Samvardhana Motherson Nippisun Technology Ltd. (name changed to Motherson Polymers Compounding Solutions Limited) (earlier joint venture company)

2. The company has exited from its joint venture with Nippon Pigment(s) Pte. Ltd. and Toyota Tsusho Corporation during the financial year 2016-17 and as a consequence Samvardhana Motherson Nippisun Technology Ltd. has ceased to be joint venture and has became the subsidiary of the Company. The name of the company has been changed to Motherson Polymers Compounding Solutions Limited.

3. Companies which ceased to be subsidiaries during the financial year 2016-17 :

   - Samvardhana Motherson Plastic Solutions GmbH & Co. KG (dissolved on December 30, 2016).

In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company including its subsidiaries, associate and joint venture companies, which form part of the Annual Report.

Further, a statement containing salient features of the financial statement of the Company's subsidiaries, associate and joint venture companies is annexed in Form AOC-1, which form a part of the Annual Report.

Details of subsidiaries of the Company and their performance are covered in Management Discussion and Analysis Report forming part of the Annual Report.

EXPORTS FROM INDIA

The Company's exports during the year were ₹8,342 million as against ₹7,966 million in the previous financial year. The Company continues to make its efforts towards achieving higher growth by providing cost competitive quality solutions to its customers. In addition, the Company has facilities globally, to provide service to the customers as well as enhance customer relationships.

POST BALANCE SHEET EVENT

Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV), a subsidiary of the Company at Netherlands, issued 1.8% Senior Secured Bonds of Euro 300 million due in 2024. The proceeds of these bonds issuance together with cash have been utilized to prepay 4.125% Senior Secured Bonds due in 2021, which would reduce the financial cost of the company substantially.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

As per provisions of the Companies Act 2013, Mr. Pankaj Mital, Director of the Company, who will retire by rotation in the ensuing Annual General Meeting being eligible, seek re-appointment. The Board of Directors recommends his re-appointment.

Brief resume of Mr. Pankaj Mital, nature of his expertise in functional areas and the name of the public companies in which he holds the Directorship and the Chairmanship/Membership of the Committees of the Board, as stipulated under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations"), are given as Annexure to the Notice convening the Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under SEBI Listing Regulations.

During the year, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Committee.

Pursuant to the provision of Section 203 of the Companies Act, 2013, Mr. Pankaj Mital as whole-time Director and Mr. G.N. Gauba as Chief Financial Officer & Company

Secretary are Key Managerial Personnel of the Company. There has been no change in the Key Managerial Personnel during the year.

BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board are covered in corporate Governance Report which forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013 and subject to disclosures in the Annual Accounts, Your Directors state as under :-

a) That in the preparation of the annual accounts for the financial year ended March 31, 2017, the applicable Accounting Standards have been followed and there are no material departures.

b) That the Directors have selected appropriate Accounting Policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2017 and of the profit of the Company for that period.

c) That the Directors 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 other irregularities.

d) That the Directors have prepared the annual accounts on a going concern basis.

e) That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively.

f) That the Directors have devised proper system to ensured compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

As per Section 139 of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the terms of M/s. Price Waterhouse Chartered Accountants LLP, (PwC) as statutory auditors of the Company will expire at the conclusion of 30th Annual General Meeting.

The report given by M/s. Price Waterhouse Chartered Accountants LLP, statutory auditors on the financial statement of the Company for the year 2016-17 is part of the Annual Report. The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Further, during the year, in the course of the performance of their duties as auditor, no frauds were reported by them which they have reason to believe that an offence involving fraud has been committed against the Company by officers or employees of the Company.

In accordance with the Companies Act 2013, M/s. Price Waterhouse Chartered Accountants LLP are not eligible for re-appointment. PwC have been the company's auditors since 2001 and over the years have successfully supported the company during the phase of growth, expansion and acquisitions. The Board and Audit committee appreciated the work and commitment of PwC in supporting the company to meet its commitments for financial disclosures as well as strengthening of internal controls and unification of accounting policies across the group.

The Board has recommended the appointment of M/s. S.R. Batliboi & Co. LLP, Chartered Accountants as the statutory auditors of the Company in place of PwC, for a term of five consecutive years, from the conclusion of 30th Annual General Meeting of the Company scheduled to be held in the year 2017 till the conclusion of 35th Annual General Meeting of the Company scheduled to be held in the year 2022, for the approval of the shareholders of the Company, based on the recommendation of the Audit Committee.

The Company has received letters from M/s. S.R. Batliboi & Co. LLP, Chartered Accountants to the effect that their re-appointment, if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified for re-appointment.

Cost Auditor

The Board of Directors has appointed M/s. M.R. Vyas and Associates, Cost and Management Accountants as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2016-17.

Secretarial Auditor

The Board of Directors has appointed M/s. SGS Associates, Company Secretaries in practice to conduct Secretarial Audit for the financial year 2016-17.

The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith which form a part of this Report.

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

AUDIT COMMITTEE

The Audit Committee comprises Mr. S.C. Tripathi, IAS (Retd.) (Chairman), Mr. Arjun Puri, Mr. Gautam Mukherjee, Ms. Geeta Mathur as Independent Directors and Mr. Toshimi Shirakawa, Mr. Laksh Vaaman Sehgal as other Members.

AWARDS & RECOGNITIONS

During the year, the Company received various awards and recognitions, which have been described in 'awards and recognition' section, forming part of annual report.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met thirteen times during the financial year 2016-17, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and SEBI Listing Regulations.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

Particulars of loans, guarantees and investments have made in the financial statement.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during financial year with related parties were on arm's length basis and were in the ordinary course of business. During the year, the Company had not entered into any contract / arrangement/ transaction with related parties which could be considered material for which shareholders' approval is required in accordance with the policy of the Company on materiality of related party transactions. Thus provisions of Section 188(1) of the Companies Act, 2013 are not applicable to the Company.

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015, all Related Party Transactions are placed before the Audit Committee for approval. Prior omnibus approval of the Audit Committee has been obtained for the transactions which are foreseen and repetitive in nature. The transactions entered into pursuant to the omnibus approval are presented to the Audit Committee by way of a statement giving details of all related party transactions.

The Company has developed a Related Party Transactions Manual, Standard Operating Procedures for purpose of identification and monitoring of such transactions.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website.

Your Directors draw attention of the members to Note 38 to the financial statement which sets out related party disclosures.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of Companies (Accounts) Rules, 2014 is given in Annexure-A to this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosure pertaining to remuneration and other details as required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in this Report as Annexure –B.

The Statement containing particulars of employees as required under section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014 is provided in a separate annexure forming part of this report. Further in terms of Section 136 of the Act, the Report and accounts are being sent to the members excluding the aforesaid annexure. The said annexure is available for inspection at the registered office of the Company during the working hours and any member interested in obtaining a copy of the same may write to the Company Secretary and the same will be furnished on request.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under SEBI (Listing of Obligations and Disclosure Requirements) Regulation, 2015 with the Stock Exchanges.

A separate section on Corporate Governance, forming a part of the Director's Report and the certificate from the Company's auditors confirming compliance of conditions on Corporate Governance as stipulated in SEBI Listing Regulations, is included in the Annual Report.

BUSINESS RESPONSIBILITY REPORT

The Listing Regulations mandate the inclusion of the Business Responsibility Report as part of the Annual Report for top 100 listed companies based on the market capitalization. In compliance with the Listing Regulations, we have integrated Business Responsibility Report disclosures into our Annual Report.

LISTING OF EQUITY SHARES

Equity shares of your Company are listed presently at National Stock Exchange of India Limited (NSE) and BSE Limited (BSE). The listing fees for the year 2017-18 have been paid to the said Stock Exchanges.

The Securities and Exchange Board of India (SEBI) vide its order dated 19 November, 2014 has withdrawn the recognition granted to Delhi Stock Exchange Limited (DSE). Therefore, the shares of your Company are deemed to be delisted from DSE. The Company's shares, however, continue to remain listed on NSE and BSE.

INTERNAL CONTROL

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

Details about Internal controls and their adequacy are set out in the Management Discussion & Analysis Report which forms part of this report.

RISK MANAGEMENT

The board of directors of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which impact the going concern status of the Company and its future operations.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Companies Act, 2013, your Company has a Corporate Social Responsibility (CSR) Committee. The CSR Committee comprises Mr. V.C. Sehgal (Chairman), Mr. Arjun Puri, Independent Director and Mr. Laksh Vaaman Sehgal, non-executive Director.

The terms of reference of the Corporate Social Responsibility (CSR) Committee is provided in the Corporate Governance Report. Your Company has also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at http://www.motherson.com/corporate-social-responsibility.html.

Annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been appended as Annexure –"C" and forms integral part of this Report.

Further the Company would focus CSR activities in the following area :

- Skill Development
- Kitchen to Garden Program for Aerobins
- Waste management & sanitation
- Health and wellness

The Company is also proposing for CSR activities through Swarnlata Motherson Trust which has been established by the Group promoter and associate companies for CSR activities at group level.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has established a vigil mechanism (which incorporates a whistle blower policy in terms of listing agreement) for Directors and employees to report their genuine concerns. The objective of the Policy is to create a window for any person who observes an unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct or ethics policy (hereinafter "Unethical and Improper Practices"), either organizationally or individually to be able to raise it. Thought Arbitrage Consultancy has been appointed by the Board of Directors as an independent external ombudsman under this Whistle-blower mechanism.

Protected Disclosure can be made by a Whistle Blower through an email, or dedicated telephone line or a letter to the Thought Arbitrage Consultancy or to the Ethics Officer. All protected disclosure concerning financial / accounting matters and complaints pertaining to "C" level officers / KMP can be addressed to the Chairman of the Audit Committee for Investigation. Other details of the policy on Whistle Blower as approved by the Board is uploaded on the Company's website.

EXTRACT OF THE ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in Form MGT-9 is annexed herewith as Annexure –D to this report.

HUMAN RESOURCES

The relations with the employees and associates continued to remain cordial throughout the year. The Directors of your Company wish to place on record their appreciation for the excellent team spirit and dedication displayed by the employees of the Company.

GREEN INITIATIVES

Electronic copy of the Annual Report 2016-17 and the Notice of the 30th Annual General Meeting are sent to all members whose e-mail addresses are registered with the Company / depository participant(s). For members who have not registered their e-mail addresses, physical copy are sent in the permitted mode.

ACKNOWLEDGEMENT

Your Board of Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all the employees of the Company as well as customers, suppliers, bankers, investors and other authorities. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

The Directors also thank the Government of various countries, Government of India, State Governments in India and concerned Government Departments/Agencies for their co-operation, support, and look forward to their continued support in the future.

Last but not the least the Board of Directors wish to thank all the stakeholders of the Company and the collaborator Sumitomo Wiring Systems Limited, Japan for its continuous support.

For and on behalf of the Board
for Motherson Sumi Systems Limited

Place : London
Date : July 08, 2017

V. C. Sehgal
Chairman

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to section 134(3)(m) of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014 and forming part of Directors' Report.

A. Conservation of energy

a) Steps taken or impact on conservation of energy:

The Company has constantly been emphasizing an optimization of energy consumption in every possible area in its units. Various avenues are being explored at periodic interval and after careful analysis and planning measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipment's. During the year under review, the following measures were initiated / adopted for conservation and optimize utilization of energy.

- Non-conventional energy resources are tapped for minimizing energy usage. For this we have installed wind mill, light Pipe or solar tube in some plants and most of the plants are on solar lights in security Gate / area.
- Wind mill power is connected in 7 units from a 3rd party resulting in saving of 7-8% power of annual bill.
- Energy efficient T-5 lighting are used in units and all new plants are with LED Lights.
- Timer controls/ Motion sensors for lighting and Air conditioning in plant areas to save on power during rest / lunch time.
- Close loop water cooling circuit for Diesel Generating sets instead of cooling towers for water & power conservation.
- Energy efficient Fans introduced on the shop floors in addition to timer control to save on power.
- Optimized Air cooling and air conditioned systems for the plant areas using VFD.
- Energy efficient air compressor systems using VFD
- Daylight sensors on street lights for optimum usage,
- Heat resistant building material is used along with provision of Proper ventilation to minimize AC load in office areas,
- Water conservation measures to minimize water intake & consequent reduction in pumping extraction or direct water buying, Treated water usage for gardening and cleaning.
- New plants are designed to use natural day light to reduce the electricity consumption for illumination during the day time,
- Use of recyclable material, and avoid building materials which involves tremendous use of energy while processing,
- Compounding mill has been shifted from Chiller to cooling tower to reduce the refrigerated cooling electrical load,
- Creating awareness amongst associates on energy conservation through campaigns and events,
- Servo driven pumping system retrofits to save the energy consumption of injection / blow molding machine.
- 260 Cnc Machines are upgraded to save on power by conveyer not operating at less than 500 mm wire length.

b) steps taken by the company for utilizing alternate source of energy:

- The Company is working on to install roof type solar plants of capacity 100 kw each in its manufacturing units in addition to solar operated security lights.
- In all new locations solar plants feasibility will be studied in set up planning.
- Polymer division at Chennai sourcing the Third Party power from REC (Wind) & NREC (Thermal)

- In process to explore the use of PNG in lieu of Diesel in Gen-sets.

c) capital investment on energy conservation equipment:

- Solar panels have been installed for Security lighting in new plant.
- Variable drive Air compressors have been installed in MAE-Chennai to save power consumption.

B. Technology absorption

The following efforts are being made in technology absorption:

Research & Development (R&D)

1. Specific areas in which R&D is carried out by the Company

   Company carried out R&D in the field of power distribution in automobiles. The focus was on optimum power distribution with adequate protection measures. Company also explored the possibilities of using alternate insulating material for high temperature wires and cables for use in high heat zone in automobiles.

2. Benefits derived as a result of the above R&D

   Some of the products developed during the year are already being tried in the upcoming models of several car makers and they shall be in mass production later this year.

3. Future plan of action

   Company will keep focusing on the development of new parts required for EEDS in a car this brining out unique and cost effective solutions for the future developments.

   Steps are continuously being taken for innovation and renovation of products and enhancement of product quality/ profile, to offer better products at relatively affordable prices to customers.

4. Expenditure incurred on R&D

   a) Capital : ₹4 Million
   b) Revenue : ₹176 Million
   c) Total : ₹180 Million
   d) Total R&D expenditure is 0.26% of the turnover.

Technology absorption, adaptation and innovation

The Company has constantly been emphasizing on using the latest technologies for improving the productivity and quality of its services and products.

In order to enhance the injection molding technologies, the Company has been constantly innovating and adopting new technologies. In the recent past the Company has adopted standard methods for interfacing molds and machines all across molding plants, Cycle time reduction through innovative mold making and molding technologies.

The Company has designed and built the ultrasonic welding systems, hotplate welding systems, Assembly machines for door handles, tail gates etc., punching machines, clinching machines, belt conveyors, nut insertion machines, pokayoke systems with integration vision cameras' etc.

The Company has also adopted and implemented the technology viz. Cryogenic pumping system to replace energy guzzling & high maintenance multistage high pressure compressors; Compressed air cooing system for internal cooling of blow moulded part to reduce the cycle time; Servo driven pumping system retrofits to save the energy consumption of injection / blow moulding machine; Injection moulding machine control retrofits to give a new lease of life / upgrading ageing moulding machine to bring in reliability; Robot control retrofits to give a new lease of life / upgrading ageing robots to bring in reliability & get them in par with latest control technology employed in world best robotic manufactures.

With the changing requirements in wiring harness manufacturing, the Company has acquired new machines and processes as per the product requirements.

1. Efforts made towards technology absorption:

   The Company kept a close association with collaborator for acquiring new technologies in the field of product and processes to cater to the needs of Indian automotive manufacturers

2. Benefits derived like product improvement, cost reduction, product development or import substitution:

   The Company made significant progress in meeting demands of latest technological needs of Indian car makers by providing them reliable technology, which gave Company an edge in the competitive market.

3. Imported Technology :

   The Company has implemented the latest processes and techniques in its manufacturing and design facilities.

C. Foreign exchange earnings and outgo during the year

1. The activities relating to export, incentives to increase exports and developments of new export markets are discussed below :

   The Company has continued to maintain focus and avail of export opportunities based on economic consideration. During the year, the Company has exports (FOB value) worth ₹7,973 million.

2. Total foreign exchange earned and outgo

(₹ in Million)

a. Total Foreign exchange earned in terms of actual inflows	8,019
b. Total Foreign exchange outgo in terms of actual outflows	21,334

The detailed information on foreign exchange earnings and outgo is also furnished in the notes to the accounts.

For and on behalf of the Board
for Motherson Sumi Systems Limited

Place : London
Date : July 08, 2017

V. C. Sehgal
Chairman

ANNEXURE B

Particulars of Employees and other related disclosures

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year:

Non- Executive directors	Ratio to median remuneration *
Mr. Vivek Chaand Sehgal	--
Mr. Sushil Chandra Tripathi, IAS (Retd.)	--
Mr. Toshimi Shirakawa	--
Mr. Arjun Puri	--
Mr. Gautam Mukherjee	--
Ms. Geeta Mathur	--
Mr. Naveen Ganzu	--
Ms. Noriyo Nakamura	--
Mr. Laksh Vaaman Sehgal	--

*Non- Executive Directors other than Independent Directors do not receive any remuneration, sitting fees, or commission from the company. Sitting fees and commission are paid to the Independent Directors only.

Executive directors	Ratio to median remuneration
Mr. Pankaj Mital	80.5

b) The percentage increase in remuneration of each Director, Chief Financial Officer & Company Secretary in the financial year:

Directors, Chief Financial Officer & Company Secretary	% increase in remuneration in the financial year
Mr. Pankaj Mital, Whole-time Director	16%
Mr. G.N. Gauba, CFO & Company Secretary	15.5%

c) The percentage increase in the median remuneration of employees in the financial year: 13.64%

d) The number of employees on the rolls of company: 29,930.

e) The explanation on the relationship between average increase in remuneration and company performance:

The Company based on the annual appraisal of the performance of the individual and the Company decides annual increment for all the employees including Key Managerial Personnel (KMP).

f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company :

Aggregate remuneration of Key Managerial Personnel (KMP) in FY 2016-17 (₹ in million)	36.04
Revenue (₹ in million)	70,632
Remuneration of KMPs (as % of revenue)	0.05%
Profit before Tax (PBT) (₹ in million)	11,728
Remuneration of KMP (as % of PBT)	0.30%

g) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company:

	Mr. Pankaj Mital	Mr. G.N. Gauba
Remuneration in FY 2016-17 (₹ in million)	19.24	16.80
Revenue (₹ in million)	70,632	
Remuneration as % of revenue	0.03%	0.02%
Profit before Tax (PBT) (₹ in million)	11,728	
Remuneration (as % of PBT)	0.16%	0.14%

h) Affirmation that the remuneration is as per the remuneration policy of the company:

The Company affirms remuneration is as per the remuneration policy of the Company.

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2016-17

Sl. No.		Remarks
1.	Average net profit of the Company for last three financial years	₹7,697 Million
2.	Prescribed CSR Expenditure (two percent of the amount as in Sl. No. 1 above)	₹154 Million
3.	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year b) Amount unspent, if any c) Manner in which the amount spent during the financial year	₹ 154 Million ₹ 140.08 Million details given below
4.	In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report	The Company has been working on identifying the projects for carrying out CSR activities, this has taken more time than estimated. The Company is now working on projects such as Skills Program and Kitchen to Garden Program. The expenditure on these projects shall be accounted for as and when incurred. The Company is also proposing CSR activities through Swarm Lata Motherson Trust which has been established by Group promoter and Associate Company for CSR activities at group level.
5.	A responsibility statement of the CSR Committee	"The implementation and monitoring of Corporate Social Responsibility Policy, is in compliance with CSR objectives and Policy of the Company"

Manner in which the amount spent during the financial year

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent : direct or through implementing agency
1.	Promoting Education and training	Clause (ii) of Schedule VII of the Companies Act, 2013:- Promoting Education and training	Delhi	10.00 Million	10.00 Million	10.00 Million	Swarm Lata Motherson Trust
2.	Education and other initiatives	Clause (ii) of Schedule VII of the Companies Act, 2013:- Promoting Education	Maharashtra	0.34million	0.34million	0.34million	K.C. Mahindra Education Trust

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent : direct or through implementing agency
3	Benefit of armed forces	Clause (vi) of Schedule VII of the Companies Act, 2013:- benefit of armed forces	Delhi	0.03 million	0.03 million	0.03 million	Delhi Police Martyrs Funds
4	Education and other initiatives	Clause (ii) of Schedule VII of the Companies Act, 2013:- Promoting Education	Mathura	1.80 million	1.80 million	1.80 million	ISKON School Project
5	For Orphanage, old Age Home and Gaushala	Clause (iii) of Schedule VII of the Companies Act, 2013:- activities of Day care centres and facilities for socially economically backward groups	Gujarat	0.85 million	0.85 million	0.85 million	Kamdhene Trust - A registered NGO
6	Administrative Cost for Reviewing CSR Structure	Administrative Cost for Reviewing CSR Structure	--	0.90 Million	0.90 Million	0.90 Million	Direct

V.C. Sehgal
Chairman (CSR Committee)

Pankaj Mital
Whole-time Director

ANNEXURE D

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March, 2017
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Particulars	Details
CIN	L34300MH1986PLC284510
Registration Date	19-12-1986
Name of the Company	Motherson Sumi Systems Limited
Category / Sub-Category of the Company	Public Company / Limited by shares
Address of the Registered office and contact details	Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051 Phone No. : 022-61354800,
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B Plot number 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 Tel. : 040 -67162222

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
Wiring Harness and components	29304	71.1%
Polymer Products	29302	27.7%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1.	MSSL Mauritius Holdings Limited C/O Abax Corporate Services Ltd., 6th Floor, Tower A, 1 Cyber City, Ebene, Mauritius	N.A.	Subsidiary	100%	2(87)(ii)
2.	Motherson Electrical Wires Lanka Pvt. Ltd. 32km Stone, High level Road, Pinnalanda Estate, Watareka, Padukka, Sri Lanka	N.A.	Subsidiary	100%	2(87)(ii)
3.	MSSL Mideast (FZE) H-3, 1-3, PO Box – 8510, SAIF Zone, Sharjah, UAE	N.A.	Subsidiary	100%	2(87)(ii)
4.	MSSL (S) Pte Ltd. 178 Paya Lebar Road # 04-08/09, Singapore - 409030	N.A.	Subsidiary	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
5.	MSSL Automobile Component Ltd. Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051	U31501MH2011PLC286826	Subsidiary	100%	2(87)(ii)
6.	Samvardhana Motherson Nippisun Technology Ltd. 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi -110044	U24297DL2013PLC249021	Subsidiary	100%	2(87)(ii)
7.	Samvardhana Motherson Polymers Ltd. Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051	U29292MH2011PLC286829	Subsidiary	51%	2(87)(ii)
8.	MSSL (GB) Limited Albany Road, Gateshead Tyne & Wear, NE8 3AT, United Kingdom	N.A.	Subsidiary	100%	2(87)(ii)
9.	Motherson Wiring System (FZE) H-3, 4-6, PO Box – 120536, SAIF Zone, Sharjah, UAE	N.A.	Subsidiary through MSSL Mideast (FZE)	100%	2(87)(ii)
10.	MSSL GmbH Am Germanenring 3 63486 Bruchköbel, Germany	N.A.	Subsidiary through MSSL Mideast (FZE)	100%	2(87)(ii)
11.	MSSL Tooling (FZE) B-3, 21, PO Box – 8763, SAIF Zone, Sharjah, UAE	N.A.	Subsidiary through MSSL Mideast (FZE)	100%	2(87)(ii)
12.	Samvardhana Motherson Invest Deutschland GmbH Am Germanenring 3 63486 Bruchköbel, Germany	N.A.	Subsidiary through MSSL GmbH	100%	2(87)(ii)
13.	MSSL Advanced Polymers s.r.o. Dašická 287 533 75 Dolní Ředice, Czech Republic	N.A.	Subsidiary through MSSL GmbH	100%	2(87)(ii)
14.	Motherson Orca Precision Technology GmbH Carl-Zeiss-Strasse 1 78073 Bad Duerrheim Germany	N.A.	Subsidiary through MSSL GmbH	95.10%	2(87)(ii)
15.	MSSL s.r.l. Unipersonale Via Liguria 19 Cap 56025 Potedera (PI)	N.A.	Subsidiary through MSSL (GB) Limited	100%	2(87)(ii)
16.	Samvardhana Motherson Polymers Management Germany GmbH Am Germanenring 3 63486 Bruchköbel , Germany	N.A.	Subsidiary through MSSL GmbH	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
17.	Motherson Techno Precision Mexico S.A. De C.V. Av. Detroit #201, Parque Industrial Desarrollo Logistik II 79526 Villa de Reyes San Luis Potosi México	N.A.	Subsidiary through Motherson Orca Precision Technology GmbH	100% -1 share	2(87)(ii)
18.	MSSL Australia Pty Ltd. U-4, 18-22 Lexia Place, Mulgrave, Victoria, Australia - 3170	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	80%	2(87)(ii)
19.	MSSL Ireland Private Ltd. Mayne Lower, Old Dublin Road, Enniscorthy Co. Wexford, Ireland	N.A.	Subsidiary through MSSL (GB) Limited	100%	2(87)(ii)
20.	Global Environment Management (FZC) Executive Desk, Q1-05-138/A, P.O. Box -9566, Sharjah (UAE)	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	78.82%	2(87)(ii)
21.	Global Environment Management Australia Pty Ltd. U-4, 18-22 Lexia Place, Mulgrave, Victoria, Australia - 3170	N.A.	Subsidiary through Global Environment Management (FZC)	100%	2(87)(ii)
22.	Motherson Elastomers Pty. Ltd. U-4, 18-22 Lexia Place, Mulgrave, Victoria, Australia - 3170	N.A.	Subsidiary through MSSL Australia Pty Ltd	100%	2(87)(ii)
23.	Motherson Investment Pty. Ltd. U-4, 18-22 Lexia Place, Mulgrave, Victoria, Australia - 3170	N.A.	Subsidiary through MSSL Australia Pty Ltd	100%	2(87)(ii)
24.	MSSL Global RSA Module Engineering Ltd. 20 Alexandra Avenue, Doringkloof, Centurion 0157, South Africa	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	100%	2(87)(ii)
25.	MSSL Japan Limited 45 KT Building 4th Floor, 1-16-4 Marunouchi Naka-ku, Nagoya-shi, Japan	N.A.	Subsidiary through MSSL (S) Pte Ltd.	100%	2(87)(ii)
26.	Vacuform 2000 (Pty) Ltd. 155 Van Eden Crescent, Rosslyn, Pretoria, South Africa	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	51%	2(87)(ii)
27.	MSSL México, S.A. De C.V. AV Detroit 205, Parque Industrial Logistik II, Villa De Reyes, SLP, 79526, Mexico	N.A.	Subsidiary through MSSL (S) Pte. Ltd.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
28.	MSSL WH System (Thailand) Co., Ltd. 500/59 Moo 3 Hemaraj Eastern Seaboard Industrial Estate, Tambon Tasith, Amphur Pluakdaeng, Rayong 21140, Thailand	N.A.	Subsidiary through MSSL (S) Pte. Ltd.	100%	2(87)(ii)
29.	MSSL Korea WH Limited Num.412-4th floor, O-Chang Plaza, 821-4 Yangcheong-ri, Ochang-eup, Cheongwon-gun, Chungbuk, Korea	N.A.	Subsidiary through MSSL (S) Pte. Ltd.	100%	2(87)(ii)
30.	MSSL Consolidated Inc. 8640, East Market Street, Howland Township, Warren, OH 44484 United States	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
31.	MSSL Overseas Wiring System Ltd. Albany Road, Gateshead Tyne & Wear, NE8 3AT, United Kingdom	N.A.	Subsidiary through MSSL Consolidated Inc	100%	2(87)(ii)
32.	MSSL Wiring System Inc. 8640 East Market Street, Howland Township, Warren, OH 44484, United States	N.A.	Subsidiary through MSSL Overseas Wiring System Ltd.	100%	2(87)(ii)
33.	Alphabet de Mexico, S.A. de C.V. Ave. Washington No. 3701, Edificio 33, Parque Industrial Las Americas, Chihuahua, Chihuahua, Mexico 31220	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
34.	Alphabet de Mexico de Monclova, S.A. de C.V. Avenida Adolfo Lopez Mateos 2101, Esquina con Avenida Revolucion Mexicana, Monclova, Coahuila, Mexico 25700	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
35.	Alphabet de Saltillo, S.A. de C.V. Prolongacion del Boulevard Isidro Lopez Zertuche, No. 1950, Ramos Arizpe, Coahuila, Mexico 25900	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
36.	MSSL Wirings Juarez, S.A. de C.V. Ave. Antonio J. Bermúdez No. 770 Ote. Parque Industrial Antonio J. Bermúdez, Ciudad Juárez, Chihuahua México CP 32470	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
37	MSSL Manufacturing Hungary Kft Szabadság utca 35, 9245 Mosonszolnok, Hungary	N.A.	Subsidiary through MSSL GmbH	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
38	MSSL Estonia WH OÜ Pärnu mnt 15, Kesklinna district, Tallinn city, Harju county, 10141, Estonia	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
39	Samvardhana Motherson Global Holdings Limited Themistokli Dervi 3, Julia House P.C. 10066 Nicosia (Cyprus)	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	51%	2(87)(ii)
40	Samvardhana Motherson Automotive Systems Group B.V. Hoogoorddreef 15 1101BA Amsterdam Postbus 11063, 1001 GB Amsterdam	N.A.	Subsidiary through Samvardhana Motherson Global Holdings Limited	69%	2(87)(ii)
41	Samvardhana Motherson Reflectec Group Holdings Ltd. 44 Esplanade St Helier Jersey JE4 9WG	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	98.45%	2(87)(ii)
42	SMR Automotive Technology Holding Cyprus Ltd. Themistokli Dervi 3, Julia House P.C. 10066 Nicosia (Cyprus)	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
43	SMR Automotive Mirror Parts and Holdings UK Ltd. Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
44	SMR Automotive Holding Hong Kong Ltd. Level 28, Three Pacific Place 1 Queen's Road East, Hong Kong	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
45	SMR Automotive Systems India Ltd. 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi -110044	U74899DL1995PLC074884	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	51%	2(87)(ii)
46	SMR Automotive Systems France S.A. 154, avenue du Lys, B.P. 5, 77191 Dammarie-Les-Lys Cedex, France	N.A.	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	2(87)(ii)
47	SMR Automotive Mirror Technology Holding Hungary Kft Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary	N.A.	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
48	SMR Patents S.aR.L. 2 – 8 avenue Charles de Gaulle, L-1653, Luxembourg	N.A.	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	2(87)(ii)
49	SMR Automotive Technology Valencia S.A.U. Ctra. Valencia-Ademuz Km 30.5 46160 - Liria - Valencia - Spain	N.A.	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	2(87)(ii)
50	SMR Automotive Mirrors UK Ltd. Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England	N.A.	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	2(87)(ii)
51	SMR Automotive Mirror Services UK Ltd. (under liquidation) Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England	N.A.	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	2(87)(ii)
52	SMR Automotive Mirror International USA Inc. 1855 Busha Highway, Marysville, Michigan 48040, USA	N.A.	Subsidiary through SMR Mirrors UK Ltd.	100%	2(87)(ii)
53	SMR Automotive Systems USA Inc. 1855 Busha Highway, Marysville, Michigan 48040, USA	N.A.	Subsidiary through SMR Automotive Mirror International USA Inc.	100%	2(87)(ii)
54	SMR Automotive Beijing Co. Ltd. 2, Fuxilu, Beixiaoying, Shunyigu, Beijing City 101300, China	N.A.	Subsidiary through SMR Automotive Holding Hong Kong Ltd.	100%	2(87)(ii)
55	SMR Automotive Yancheng Co. Ltd. Yancheng Economic Development Zone, Yancheng 224007, Jiangsu, China	N.A.	Subsidiary through SMR Automotive Holding Hong Kong Ltd.	100%	2(87)(ii)
56	SMR Automotive Mirror Systems Holding Deutschland GmbH Hedelfinger Straße 60, 70327 Stuttgart, Germany	N.A.	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	2(87)(ii)
57	SMR Holding Australia Pty Ltd. Sherriffs Road (corner of Aldershot Road), Lonsdale, South Australia 5160, Australia	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	2(87)(ii)
58	SMR Automotive Australia Pty. Ltd. Sherriffs Road (corner of Aldershot Road), Lonsdale, South Australia 5160, Australia	N.A.	Subsidiary through SMR Holding Australia Pty Ltd.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
59	SMR Automotive Mirror Technology Hungary Bt. Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary	N.A.	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	99.40%	2(87)(ii)
60	SMR Automotive Modules Korea Ltd. (formerly SMR Poong Jeong Automotive Mirrors Korea Ltd.) Ochang Science Industrial Complex (4-9 B/L), 1112-14 Namchon-ri, Oksan-myeon, Cheongwon-gun, Chungcheongbuk-do, South Korea Postal Code: 363-911	N.A.	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	89.86%	2(87)(ii)
61	SMR Automotive Beteiligungen Deutschland GmbH Hedelfinger Straße 60, 70327 Stuttgart, Germany	N.A.	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	2(87)(ii)
62	SMR Hyosang Automotive Ltd. 192-6, Chunui-Dong, Wonmi-Ku, Bucheon City, Kyunggi-Do, South Korea	N.A.	Subsidiary through SMR Poong Jeong Automotive Mirrors Korea Ltd.	100%	2(87)(ii)
63	SMR Automotive Mirrors Stuttgart GmbH Hedelfinger Straße 60, 70327 Stuttgart, Germany	N.A.	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	2(87)(ii)
64	SMR Automotive Systems Spain S.A.U. Poligono Industrial Valdemuel, S/n E-50290 Epila/Zaragoza, Spain	N.A.	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	100%	2(87)(ii)
65	SMR Automotive Vision Systems Mexico S.A. de C.V. Circuito Mexico No. 260, Mex-78395 San Luis Potosi, SLP	N.A.	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	64.68%	2(87)(ii)
66	SMR Automotive Servicios Mexico S.A. de C.V. (under liquidation) Circuito Mexico No. 260, Mex-78395 San Luis Potosi, SLP	N.A.	Subsidiary through SMR Automotive Vision Systems Mexico S.A. de C.V.	100%	2(87)(ii)
67	SMR Grundbesitz GmbH & Co. KG Hedelfinger Straße 60, 70327 Stuttgart, Germany	N.A.	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	93.07%	2(87)(ii)
68	SMR Automotive Brasil LTDA Av Pacifico Moneda 3360, Sitio Vargeao, Bairro Capotuna Jaguaríuna, Sao Paulo, Brasil	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
69	SMR Automotive Systems (Thailand) Ltd. 500/49 Moo3 , Hemaraj Eastern Seaboard Industrial Estate, Tasith, A. Pluckdaeng, Rayong, 21140, Thailand	N.A.	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	2(87)(ii)
70	SMR Automotives Systems Macedonia Dooel Skopje 16, 8-mi Septemvri Blvd., Hyperium Business Centre, 2nd floor, 1000 Skopje –Karposh, Karposh	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	2(87)(ii)
71	SMR Automotive Operations Japan K.K. 45 KT building 4F, 1-16-4, Marunouchi, Naka-ku, Nagoya-City, Aichi, Japan	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	2(87)(ii)
72	SMR Automotive (Langfang) Co. LTD #4 Bohai Road, Modern Industrial Park, Xianghe, Langfang, Hebei, China	N.A.	Subsidiary through SMR Poong Jeong Automotive Mirrors Korea Ltd.	100%	2(87)(ii)
73	SMR Automotive Vision System Operations USA INC 1855 Busha Highway, Marysville, Michigan 48040, USA	N.A.	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	2(87)(ii)
74	SMR Mirror UK Limited Castle Trading Estate, East Street, Portchester, Hampshire, PO16 9SD, England	N.A.	Subsidiary through SMR Automotive Vision System Operations USA INC	100%	2(87)(ii)
75	Samvardhana Motherson Peguform GmbH Am Germanenring 3 63486 Bruchköbel	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	100%	2(87)(ii)
76	SMP Automotive Interiors (Beijing) Co. Ltd. Suite 105, Level 1, Block B, No. 14, Zhong He Road, Economic & Technology Development Zone, Beijing	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	100%	2(87)(ii)
77	SMP Deutschland GmbH Schlossmattenstraße 18 79268 Bötzingen	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	94.80%	2(87)(ii)
78	SMP Logistik Service GmbH Schloßmattenstraße 18 79268 Bötzingen	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)
79	SMP Automotive Solutions Slovakia s.r.o. Matúškovo 1586 92501Matúškovo, Slovakia	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
80	Changchun Peguform Automotive Plastics Technology Co., Ltd. No. 399 Xiang Fan Third Road, Economical & Technical Development Zone 130033 Changchun City, China	N.A.	Subsidiary through SMP Deutschland GmbH	50% +1share	2(87)(ii)
81	Foshan Peguform Automotive Plastics Technology Co., Ltd. FoShan City, NanHai District, ShiShan Town, NanHai Software Technology Zone, Business-Start-Up-Centre Building A Room 109 Station 1004, Postcode: 528237	N.A.	Subsidiary through Changchun Peguform Automotive Plastics Technology Co., Ltd.	100%	2(87)(ii)
82	SMP Automotive Technology Management Services (Changchun) Co. Ltd. No. 399 Xiang Fan Third Road, Changchun Economic & Technological Zone, 130033 Changchun	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)
83	SMP Automotive Technology Iberica S.L. Carretera B-142 Sentmenat, 18-20, 08213 Polinya (Barcelona), Spain	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	100%	2(87)(ii)
84	Samvardhana Motherson Peguform Barcelona S.L.U Ctra. B-142 a Sentmenat, 18-20, 08213 Polinya (Barcelona), Spain	N.A.	Subsidiary through SMP Automotive Technology Iberica S.L.	100%	2(87)(ii)
85	SMP Automotive Technologies Teruel S. L. Poligono Azalenguas s/n 44340 Fuentes Claras (Teruel)	N.A.	Subsidiary through SMP Automotive Technology Iberica S.L.	100%	2(87)(ii)
86	Samvardhana Motherson Peguform Automotive Technology Portugal S.A. Parque Industrial Autoeuropa Quinta da Marquesa CCI 102162950-678 Palmela, Portugal	N.A.	Subsidiary through SMP Automotive Technology Iberica S.L.	100%	2(87)(ii)
87	SMP Automotive Systems Mexico S.A. de C.V. Av Tlaxcala 480 San Juan Cuautiancingo 72700 Cuautlancingo Puebla, México	N.A.	Subsidiary through SMP Automotive Technology Iberica S.L.	100% -1share	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
88	SMP Automotive Produtos Automotivos do Brasil Ltda. Av. Leste, Km 4. Rua 1 – nº525 Quadra „C" Bairro: Campo Largo de Roseira Sao Jose dos Pinhais Cep: 83183000 Curitiba, Brazil	N.A.	Subsidiary through SMP Automotive Technology Iberica S.L.	100% -1share	2(87)(ii)
89	SMP Automotive Exterior GmbH Ludwig-Erhard-Str. 1, 84069 Schierling	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
90	Samvardhana Motherson Innovative Autosystems B.V. & Co.KG Am Germanenring 3 63486 Bruchköbel	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
91	Samvardhana Motherson Innovative Autosystems Holding Company B.V. Autopista, Hoogoorddreef 15 1101BA Amsterdam Postbus 11063, 1001 GB Amsterdam	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
92	SM Real Estate GmbH Am Germanenring 3 63486 Bruchköbel	N.A.	Subsidiary through SMP Automotive Exterior GmbH	94.80%	2(87)(ii)
93	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V Circuito Sur No. 10 Zona Industrial Chachapa C.P.- 72990 Amozoc de Mota Puebla	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	99%	2(87)(ii)
94	SMP Automotive Systems Alabama INC. 10799 Ed Stephens Rd., Cottondale, AL 35453	N.A.	Subsidiary through SMR Automotive Mirror International USA Inc.	100%	2(87)(ii)
95	Motherson Innovations Company Limited 35 Great St. Helen's, London EC3A 6AP	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
96	Motherson Innovations Deutschland GmbH Hedelfinger Strasse 60 70327 Stuttgart, Germany	N.A.	Subsidiary through Motherson Innovations Company Limited	100%	2(87)(ii)
97	Samvardhana Motherson Global (FZE) H3-05B, Post Box 513142, SAIF Zone, Sharjah	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
98	SMR Automotive Industries RUS Limited Liability Company Nevsky Plaza 55, let A, Nevsky Prospect, St. Petersburg, 191025, Russia	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft..	99%	2(87)(ii)
99	Celulosa Fabril (Cefa) S.A. P.I. Malpica (Santa Isabel) Calle E-Oeste, Parcela 5 50016 Zaragoza	N.A.	Subsidiary through SMP Automotive Technology Iberica S.L.	50%	2(87)(i)
100	Modulos Ribera Alta S.L. Crta. De Logroño, km 27,5. Figueruelas. Zaragoza	N.A.	Subsidiary through Celulosa Fabril (Cefa) S.A.	100%	2(87)(ii)
101	Motherson Innovations Lights GmbH & Co KG Theodor-Körner-Str. 14a 83301 Traunreut	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
102	Motherson Innovations Lights Verwaltungs GmbH Theodor-Körner-Str. 14a 83301 Traunreut	N.A.	Subsidiary through Motherson Innovations Lights GmbH & Co KG	100%	2(87)(ii)
103	PKC Group Plc. Bulevardi 7 FI-00120 Helsinki Finland	N.A.	Subsidiary through MSSL Estonia WH OU	93.75%	2(87)(ii)
104	PKC Wiring Systems Oy Vihikari 10 FI-90440 Kempele Finland	N.A.	Subsidiary through PKC Group Plc.	100%	2(87)(ii)
105	PKC Netherlands Holding B.V. Spoorhaven 88, 2651 AV Berkel en Rodenrijs The Netherlands	N.A.	Subsidiary through PKC Group Plc.	100%	2(87)(ii)
106	PKC Group Poland Sp. z o.o. ul. Radomska 86 27-200 Starachowice Poland	N.A.	Subsidiary through PKC Wiring Systems Oy	80%	2(87)(ii)
107	PKC Wiring Systems Llc Šalinačka bb, 11300 Smederevo Serbia	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
108	PKC Group APAC Limited Level 54 Hopewell Centre 183 Queen's Road East Hong Kong	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
109	PKC Group Canada Inc. 44 Chipman Hill, Suite 1000 Saint John, New Brunswick E2L 4S6 Canada	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
110	PKC Group USA Inc. c/o AEES Inc. 36555 Corporate Drive Suite 300, Farmington Hills, MI 48331-USA	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
111	PKC Group Mexico S.A. de C.V. Prolongación Avenida Hidalgo 16, Parque Industrial San Carlos, Nogales, Sonora, CP 84094 Mexico	N.A.	Subsidiary through PKC Wiring Systems Oy	99.9%	2(87)(ii)
112	Project del Holding S.a.r.l. 33, rue du Puits Romain, L-8070 Bertrange Grand-Duchy of Luxembourg	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
113	PK Cables do Brasil Ltda Rua Estrada da Graciosa 803 - Atuba 82840 - 360 - Curitiba PR - Brasil	N.A.	Subsidiary through Project Del Holding S.a.r.l.	55.55%	2(87)(ii)
114	PKC Eesti AS Lõõtsa 8 11415 Tallinn Estonia	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
115	TKV-sarjat Oy Vihikari 10 FI-90440 Kempele Finland	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
116	PKC SEGU Systemelektrik GmbH Am Eisberg 14 D-36456 Barchfeld Germany	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
117	PK Cables Nederland B.V. Spoorhaven 88 in Berkel en Rodenrijs, The Netherlands	N.A.	Subsidiary through PKC NL Holding	100%	2(87)(ii)
118	Groclin Luxembourg S.à r.l. Atrium Business Park, 33 rue du Puits Romain, L-8070 Bertrange, R.C.S. Luxembourg: B195512	N.A.	Subsidiary through PKC Group Poland Holding Sp. z.o.o.	100%	2(87)(ii)
119	PKC Vehicle Technology (Suzhou) Co., Ltd. Block N Unit 01/05 Ascendas Xin Su Industry Square II NO.128 Xingpu Road SIP, China	N.A.	Subsidiary through PKC Group APAC Ltd.	100%	2(87)(ii)
120	AEES Inc. 36555 Corporate Drive Suite 300, Farmington Hills, MI 48331 USA	N.A.	Subsidiary through PKC Group USA Inc.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
121	PKC Group Lithuania UAB J. Janonio g. 4 LT-35101 Panevezys Lithuania	N.A.	Subsidiary through PKC Eesti AS	100%	2(87)(ii)
122	PKC Group Poland Holding Sp. z o.o. Al. Jana Pawła II 22 00-133 Warszawa registered under KRS number 0000523290	N.A.	Subsidiary through PKC Eesti AS	100%	2(87)(ii)
123	OOO AEK Shosse Gornjakov, 34 186930, Kostomuksha Karelia, Russia	N.A.	Subsidiary Through PKC Eesti AS	98.06%	2(87)(ii)
124	Kabel-Technik-Polska Sp. z o.o. Pławieńska 5, 78-550 Czaplinek, Poland	N.A.	Subsidiary through Groclin Luxembourg S.a.r.l.	100%	2(87)(ii)
125	AEES Power Systems Limited partnership c/o AEES Inc. 36555 Corporate Drive Suite 300 Farmington Hills, MI 48331 USA	N.A.	Subsidiary through T.I.C.S. Corporation	99%	2(87)(ii)
126	T.I.C.S. Corporation c/o AEES Inc. 36555 Corporate Drive Suite 300 Farmington Hills, MI 48331 USA	N.A.	Subsidiary through PKC AEES Inc.	100%	2(87)(ii)
127	Fortitude Industries Inc. 7200 County Route 70A, Hornell, NY 14843, USA	N.A.	Subsidiary through PKC AEES Inc.	100%	2(87)(ii)
128	AEES Manufactuera, S. De R.L de C.V. Avenida Fesnel Num. 7650 Parque Industrial A.J. Bermudez, Ciudad Juárez, Chihuahua, Mexico., C.P. 32470	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.99%	2(87)(ii)
129	Cableodos del Norte II, S. de R.L de C.V. Carretera a Matamoros Entronque con Mieleras SN Parque Industrial las Américas Torreón, Coahuila, Mexico. C.P. 27278	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.97%	2(87)(ii)
130	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V. Carretera Miguel Aleman Km 14.5 E-3A Monterrey Business Park, Apodaca, Nuevo León, Mexico, CP 66600	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.99%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
131	Arneses y Accesorios de México, S. de R.L de C.V. Km. 5.823 Carretera Presa la Amistad SN, Col. Parque Industrial Amistad, Ciudad Acuña, Coahuila, Mexico. C.P. 26220	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.97%	2(87)(ii)
132	Asesoria Mexicana Empresarial, S. de R.L de C.V. Carretera Miguel Alemán Km. 14.5 E-3A, Monterrey Business Park, Apodaca, Nuevo León, Mexico, CP 66600	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.98%	2(87)(ii)
133	Arneses de Ciudad Juarez, S. de R.L de C.V. Avenida Fresnel #7650, Col. Parque Industrial A.J. Bermudez, Ciudad Juárez, Chihuahua, Mexico. C.P. 32470	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.99%	2(87)(ii)
134	PKC Group de Piedras Negras, S. de R.L. de C.V. Libramiento G. Manuel Pérez Treviño Col. Parque Industrial Amistad Piedras Negras, Coahuila, Mexico. C.P. 26080	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.99%	2(87)(ii)
135	PKC Group AEES Commercial S. de R.L de C.V Carretera Miguel Alemán Km. 14.5 E-3A, Monterrey Business Park, Apodaca, Nuevo Leon, Mexico, CP 66600	N.A.	Subsidiary through Project Del Holding S.a.r.l.	99.97%	2(87)(ii)
136	Jiangsu Huakai-PKC Wire Harness Co., Ltd. No.1 West Ring Road, Xinqiao, Danbei Town, Danyang City Jiangsu Province, China Post Code: 212322	N.A.	Subsidiary through PKC Group APAC Limited	50%	2(87)(i)
137	PKC Vechicle Technology (Hefei) Co, Ltd. China	N.A.	Subsidiary through PKC Group APAC Limited	50%	2(87)(i)
138	Saks Ancillaries Limited 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi -110044	U74899DL1985PLC112662	Associate		2(6)
139	Kyungshin Industrial Motherson Pvt. Ltd. 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi -110044	U55101DL1997PTC090104	Joint Venture		2(6)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
140	Calsonic Kansei Motherson Auto Products Private Limited 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi -110044	U34102DL2007PTC168779	Joint Venture		2(6)
141	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. Xizhou Industrial Estate, Xiangshan, Zhejiang Province, 315722, P.R. China	N.A.	Joint Venture		2(6)
142	Chongqing SMR Huaxiang Automotive Products Ltd. N° 98 Lvchang Avenue of Xipong Town, Jiulongpo District, Chongqing, 401326 China	N.A.	Joint Venture		2(6)
143	Eissmann SMP Automotive Interieur Slovakia s.r.o. Lesna 880/1, Holic 908 051	N.A.	Joint Venture		2(6)
144	Re-time Pty Limited Suite 6, 15 King William Road, Unley SA 5061	N.A.	Joint Venture		2(6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	7391213	0	7391213	0.56	7391213	0	7391213	0.53	(0.03)
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt (s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	488549846	0	488549846	36.93	488549846	0	488549846	34.81	(2.12)
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (1):-	**495941059**	**0**	**495941059**	**37.49**	**495941059**	**0**	**495941059**	**35.33**	**(2.16)**
(2) Foreign									
a) NRIs - Individuals	32517957	0	32517957	2.46	32517957	0	32517957	2.32	(0.14)
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	339455437	0	339455437	25.66	357217897	0	357217897	25.45	(0.21)
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A) (2):-	**371973394**	**0**	**371973394**	**28.12**	**389735854**	**0**	**389735854**	**27.77**	**(0.35)**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**867914453**	**0**	**867914453**	**65.61**	**885676913**	**0**	**885676913**	**63.10**	**(2.51)**
B. Public Shareholding									
1. Institutions									

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
a) Mutual Funds/UTI	72412873	0	72412873	5.47	92388373	0	92388373	6.58	1.11
b) Banks / FI	4158435	20878	4179313	0.32	2556242	20878	2577124	0.18	(0.14)
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs /FPIs	234541999	0	234541999	17.73	278272161	0	278272161	19.83	2.10
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (Alternate Investment Fund)	0	0	0	0.00	70000	0	70000	0.00	0.00
Sub-total (B)(1):-	**311113307**	**20878**	**311134185**	**23.52**	**373286780**	**20878**	**373307658**	**26.60**	**3.08**
2. Non- Institutions									
a) Bodies Corporation									
i) Indian	38065895	200058	38265953	2.89	45494686	200058	45694744	3.26	0.37
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹2 lakh	54565010	7569606	62134616	4.70	55504491	7155259	62659750	4.46	(0.24)
ii) Individual shareholders holding nominal share capital in excess of ₹2 lakh	35884544	273371	36157915	2.73	26715642	0	26715642	1.90	(0.83)
c) NBFCs registered with RBI	390697	0	390697	0.03	246748	0	246748	0.02	(0.01)
d) Others (specify)									
i) Trust & Foundations	1276079	49	1276128	0.10	2853814	49	2853863	0.20	0.10
ii) Clearing Member	1809968	0	1809968	0.14	2731416	0	2731416	0.19	0.05
iii) Non Resident Indian	3789434	5691	3795125	0.29	3633902	5691	3639593	0.26	(0.03)
Sub-total (B)(2):- Total Public	**135781627**	**8048775**	**143830402**	**10.87**	**137180699**	**7361057**	**144541756**	**10.30**	**(0.57)**
Shareholding (B)=(B)(1)+(B)(2)	**446894934**	**8069653**	**454964587**	**34.39**	**510467479**	**7381935**	**517849414**	**36.90**	**2.51**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0.00	0.00
Grand Total (A+B+C)	**1314809387**	**8069653**	**1322879040**	**100.00**	**1396144392**	**7381935**	**1403526327**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2016)			Shareholding at the end of the year (As on 31.03.2017)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Samvardhana Motherson International Ltd	488549846	36.93	7.36	488549846	34.81	7.77	(2.21)
2	Sumitomo Wiring Systems Ltd.	334520781	25.29	0.00	352283241	25.10	0.00	(0.19)
3	Vivek Chaand Sehgal	32517957	2.46	0.00	32517957	2.32	0.00	(0.14)
4	Geeta Soni	3826813	0.29	0.00	3826813	0.27	0.00	(0.02)
5	Neelu Mehra	3497640	0.26	0.00	3497640	0.25	0.00	(0.01)
6	Renu Sehgal	66705	0.00	0.00	66705	0.00	0.00	0.00
7	Laksh Vaaman Sehgal	55	0.00	0.00	55	0.00	0.00	0.00
8	H. K. Wiring systems limited	3404601	0.26	0.00	3404601	0.24	0.00	(0.01)
9	Radha Rani Holdings Pte Ltd	1530055	0.12	0.00	1530055	0.11	0.00	(0.01)
	Total	**867914453**	**65.61**	**7.36**	**885676913**	**63.10**	**7.37**	**(2.51)**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year (As on 01.04.2016)		Cumulative Shareholding during the year (01.04.2016 to 31.03.2017)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	867914453	65.61	867914453	65.61
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): - New allotment (on preferential basis)	17762460		17762460	
At the end of the year	885676913	63.10		

Note: -

1. The Company has allotted 17762460 equity shares on preferential basis to Sumitomo Wiring Systems Limited on 12.09.2016.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Name	Shareholding at the beginning of year 01-04-2016		Cumulative Shareholding at the end year 31-03-2017	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Europacific Growth Fund	20000000	1.51	20220000	1.44
2.	ICICI Prudential Life Insurance Company Ltd	15478210	1.17	17382719	1.24
3.	Reetha Shetty	13948292	1.05	13698292	0.98
4.	Axis Mutual Fund Trustee Limited A/c Axis Mutual Fund	11974745	0.91	20636607	1.47
5.	Government of Singapore	11570467	0.87	7482509	0.53

Sl. No	Name	Shareholding at the beginning of year 01-04-2016		Cumulative Shareholding at the end year 31-03-2017	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
6.	Abu Dhabi Investment Authority - QUAX	10487311	0.79	12424933	0.89
7.	BT Pension Scheme	9617887	0.73	9556338	0.68
8.	UTI-Mahila Unit Scheme	7581396	0.57	7319249	0.52
9.	R Shares Junior Bees – Investment A/c	6756945	0.51	5803119	0.41
10.	Tree Line Asia Master Fund (Singapore) Pte. Ltd.	5400000	0.41	9240000	0.66

Note :
The above details are given as on March 31, 2017. The shares of the Company are listed and traded on a daily basis. 99.47% of the shareholding is in dematerialized form and hence it is not feasible to track movement of the shares on daily basis.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Share-holding during the year (01-04-16 to 31-03-17)	
		No. of shares at the beginning (01-04-16)/end of the year (31-03-17)	% of total shares of the Com-pany				No. of Shares	% of total shares of the Com-pany
1.	Vivek Chaand Sehgal	32517957	2.46				32517957	2.32
2.	Sushil Chandra Tripathi, IAS (Retd.)	0	0.00		-		0	0.00
3.	Toshimi Shirakawa	0	0.00		-		0	0.00
4.	Arjun Puri	0	0.00		-		0	0.00
5.	Gautam Mukherjee	0	0.00		-		0	0.00
6.	Geeta Mathur	4500	0.00		-		4500	0.00
7.	Mr. Naveen Ganzu	94201	0.01		-		94201	0.01
8.	Noriyo Nakamura	0	0.00		-		0	0.00
9.	Laksh Vaaman Sehgal	55	0.00		-		55	0.00
10.	Pankaj Mital	41455	0.00		-		41455	0.00
11.	G.N. Gauba	16200	0.00		-		16200	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2016)				
i) Principal Amount	3,787	1,065	--	4,852
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	6	4	--	10
Total (i+ ii+ iii)	3,793	1,069	--	4,862

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year • Addition • Reduction	 9,109 --	 -- (1,018)	 -- --	 9,109 (1,018)
Net Change	9,109	(1,018)	--	8,091
Indebtedness at the end of the financial year (31.03.2017) i) Principal Amount ii) Interest due but not paid iii) Interest accrued but not due	 12,884 -- 18	 51 -- --	 -- -- --	 12,935 -- 18
Total (i+ii+iii)	12,902	51	--	12,953

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and /or Manager :

Mr. Pankaj Mital : Whole-time Director

Sl. No.	Particulars of Remuneration	Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	 16,652,000 1,054,200 --
2.	Stock Option	--
3.	Sweat Equity	--
4.	Commission - as % of profit - others, specify	--
5.	Others, please specify:- -Contribution to provident fund/ other funds	 1,540,000
	Total (A)	**19,246,200**
	Ceiling as per the Act	549,142,455*

*being 5% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013

B. Remuneration to other directors:

Particulars of Remuneration	Name of Independent Directors					Total Amount
	Mr. S.C. Tripathi, IAS (Retd.)	Mr. Arjun Puri	Mr. Gautam Mukherjee	Ms. Geeta Mathur	Mr. Naveen Ganzu	
Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	 800,000 3,000,000 -	 1,030,000 3,000,000 -	 1,140,000 3,000,000 -	 1,090,000 3,000,000 -	 600,000 3,000,000 -	 46,60,000 15,000,000 -
Total (1)	3,800,000	4,030,000	4,140,000	4,090,000	3,600,000	19,660,000

Name	Mr. Vivek Chaand Sehgal	Mr. Toshimi Shirakawa	Ms. Noriyo Nakamura	Mr. Laksh Vaaman Sehgal		
Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil		
Total (2)	--	--	--	--		--
Total (1+2)						**19,660,000**
Ceiling as per the Act						109,828,491

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Mr. G.N. Gauba - CFO & Company Secretary

Sl. No.	Particulars of Remuneration	Total
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	 14,500,250 916,755 --
	Stock Option	--
	Sweat Equity	--
	Commission - as % of profit - others, specify...	--
	Others, please specify - Contribution to provident fund/ other funds	 1,342,000
	Total	**16,759,005**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017.

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

To
The Members
Motherson Sumi Systems Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/S. MOTHERSON SUMI SYSTEMS LIMITED** (hereinafter called the "**Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our 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 authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 ("audit period") 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:

We 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 2017 according to the provisions of:

(a) The Companies Act, 2013 (the Act) and the rules made there under;

(b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(c) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(d) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(e) The Following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992.

(i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

(ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009**;**

(iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period) ;**

(v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period)** ;

(vi) 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 during the Audit Period)** ;

(vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable for the auditing period)**; and

(viii) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period);**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to Board and General Meetings**.**

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosures 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.

We 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, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

(a) The Environment (Protection) Act, 1986
(b) The Water (Prevention and Control of Pollution) Act, 1974
(c) The Air (Prevention and Control of Pollution) Act, 1981
(d) The Rubber Act 1947 to the extent applicable and rules made there under; and
(e) The Explosives Act, 1884 to the extent applicable as the Company for diesel storage tank for few of its units.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director(s). The changes in the composition of the Board of Directors that took place during the period under review were 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 and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.

We further report that during the audit period the Company has following major events having a major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc;

1. The Company has issued and allotted 17,762,640 Equity shares of ₹1/- each to M/S Sumitomo Wiring Systems Ltd. on preferential basis on 12th September 2016 at a premium of ₹316/- per share.

2. The company has issued and allotted 62,884,827 Equity shares of ₹1/- each as qualified institutional placement during the audit period on 16th September 2016 at a premium of ₹316/- per share.

3. MSSL Manufacturing Hungary Kft., has acquired automotive business of Abraham es tarsa Kft (Abraham 7 Company limited) as a going concern basis.

4. The Company has shifted its Registered office from the National Capital Territory of Delhi to the state of Maharshtra during the Audit Period, pursuant to the resolution passed by the shareholders of the Company through postal ballot on 28th March 2016.

5. MSSL ESTONIA WH OU, a wholly owned subsidiary of the Company has made a Public offer to purchase all the issued and outstanding shares and stock options in PKC Group PLC of Finland which are not owned by it or any of its subsidiaries (the Tender Offer).

For SGS ASSOCIATES
Company Secretaries

D.P. Gupta
M. N. FCS 2411
C P No. 1509

Date: July 08, 2017
Place: - New Delhi

Note:
This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of the Report.

To,
The Members
Motherson Sumi Systems Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis of our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we have obtained the Management representation about the compliance of the laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SGS ASSOCIATES
Company Secretaries

D.P. Gupta
M. N. FCS 2411
C P No. 1509

Date: July 08, 2017
Place: - New Delhi

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance

Effective Corporate Governance practices constitute the strong foundation on which successful commercial enterprises are built to last. Corporate Governance is based on the principles of integrity, transparency, accountability and commitment to values. Your Company views its Corporate Governance policies not only to comply with the statutory requirements in letter and spirit, but also to aim at implementing the best practices, keeping in view the overall interest of all its stakeholders. Your Company takes Corporate Governance as a critical tool to enhance trust of its Customers, Employees, Investors, Government and the Community at large and achieve its goal of maximizing value for its stakeholders. The Company has adopted a Code of Conduct for its Directors, employees and officers as well as those of its subsidiaries.

Over the years, the Company has further strengthened its governance framework. This includes various procedures and practices which determine the way business is to be conducted and value generated. The Company has the distinction of consistently rewarding its shareholders over the past twenty four eventful years from its Initial Public Offering.

In terms of distributing wealth to the shareholders, apart from having a track record of uninterrupted dividend payout, the Company has also delivered consistent unmatched shareholder returns since its listing.

Pursuant to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") the Company has executed fresh Listing agreements with Stock Exchanges.

The Company is in compliance with the requirements stipulated Regulations 17 to 27 read with Schedule V and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI Listing Regulations, as applicable, with regard to Corporate Governance.

BOARD OF DIRECTORS

As on March 31, 2017, the Company has ten Directors of which, nine are Non-executive Directors including five Independent Directors. The Board has two Women Directors, one being independent and the other being the nominee of Sumitomo Wiring Systems Limited. The composition of the Board is in the conformity with Regulation 17 of the SEBI Listing Regulations read with section 149 of the Companies Act, 2013.

None of the Directors on the Board is a member of more than ten committees or Chairman of more than five committees across all companies as on March 31, 2017 for which confirmation has been obtained from the Directors. Chairmanships/Memberships of the Board Committees include only Audit Committee and Stakeholders' Relationship Committee.

The name and categories of Directors on the Board and number of Directorships and Committee Chairmanships/ Memberships held by them in other public companies as on March 31, 2017 are given below:

Name of the Director	Executive/Non- executive/ Independent	No. of Directorship in other Public Companies	Committee memberships	Committee Chairmanships
Mr. V. C. Sehgal * DIN 00291126	Non-executive Chairman	4	--	--
Mr S.C. Tripathi, IAS (Retd.) DIN 00941922	Independent Director	8	8	2
Mr. Toshimi Shirakawa $ DIN 00310164	Non-executive Director	1	1	--
Mr. Arjun Puri DIN 00211590	Independent Director	5	6	1
Mr. Gautam Mukherjee DIN 02590120	Independent Director	2	3	1
Ms. Geeta Mathur DIN 02139552	Independent Director	9	10	4
Mr. Naveen Ganzu DIN 00094595	Independent Director	--	--	--

Name of the Director	Executive/Non- executive/ Independent	No. of Directorship in other Public Companies	Committee memberships	Committee Chairmanships
Mr. Laksh Vaaman Sehgal* DIN 00048584	Non-executive Director	7	2	--
Ms. Noriyo Nakamura $ DIN 06809512	Non-executive Director	--	1	--
Mr. Pankaj Mital DIN 00194931	Whole-time Director/Chief Operating Officer	2	1	--

* Nominee Directors of Samvardhana Motherson International Ltd. (SMIL).

$ Nominee Directors of Sumitomo Wiring Systems Ltd. (SWS).

Notes:

1. Memberships / Chairmanships of Directors in the Committees of all Public Companies incorporated in India in which they are Directors.

2. Mr. Laksh Vaaman Sehgal is the son of Mr. V. C. Sehgal. None of the other Director(s) are related to any other director on the Board.

3. The Company has received declarations of independence as prescribed under Regulation 16(1)(b) of SEBI Listing Regulations read with Section 149(6) & (7) of the Companies Act, 2013 from the Independent Directors. All requisite declarations have been placed before the Board.

ATTENDANCE AT BOARD MEETINGS AND ANNUAL GENERAL MEETING

The Board of Directors of the Company meets at least once a quarter to review the quarterly/ yearly results and other items on the agenda.

Thirteen Board Meetings were held during the year and the gap between two meetings did not exceed 120 (one hundred and twenty) days. The dates on which the said meetings were held:

(1) May 17, 2016 (2) July 5, 2016 (3) August 3, 2016 (4) August 10, 2016 (5) September 8, 2016 at 12:10 P.M. (6) September 8, 2016 at 7:40 P.M. (7) September 12, 2016 (8) September 13, 2016 (9) September 16, 2016 (10) November 10, 2016 (11) January 19, 2017 (12) February 13, 2017 (13) March 18, 2017.

Out of thirteen Board Meetings, five Board Meetings were held for documentation, issuance and allotment of equity shares under QIP and preferential issue. These meeting were held at short notice.

The necessary quorum was present for all the meetings.

The table for the attendance record of the meetings of Board of Directors (other than meeting held for QIP and preferential issue) are as below:

Name of the Director	No. of Board Meetings attended (other than meeting held for QIP and preferential issue)	Attendance at last Annual General Meeting
Mr. V. C. Sehgal	8	Yes
Mr. S.C. Tripathi IAS (Retd.)	8	Yes
Mr. Toshimi Shirakawa	8	Yes
Mr. Arjun Puri	8	Yes
Mr. Gautam Mukherjee	8	Yes
Ms. Geeta Mathur	7	Yes
Mr. Naveen Ganzu	8	Yes
Mr. Laksh Vaaman Sehgal	8	No*
Ms. Noriyo Nakamura	8	Yes
Mr. Pankaj Mital	8	Yes

* Could not attend due to some personal exigency.

Video / Tele-conferencing facilities are also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.

Attendance record of the meetings of the Board of Directors held for QIP and preferential issue is as below:

Name of Directors	No. of meetings attended
Mr. V. C. Sehgal	4
Mr. S.C. Tripathi IAS (Retd.)	1
Mr. Toshimi Shirakawa	5
Mr. Arjun Puri	4
Mr. Gautam Mukherjee	5
Ms. Geeta Mathur	5
Mr. Naveen Ganzu	4
Mr. Laksh Vaaman Sehgal	3
Ms. Noriyo Nakamura	5
Mr. Pankaj Mital	3

The information regularly furnished to the Board of Directors include amongst others the following:

1. Quarterly results and performance of various units/ divisions, subsidiaries and joint venture companies.
2. Minutes of the meetings of the Board and all its Committees.
3. Minutes of Meetings of the Board of the subsidiaries.
4. Materially important litigations, show cause, demand, prosecution and penalty notices.
5. Details of Joint Ventures, acquisition of companies or Collaboration Agreement.
6. Annual Operating plans and budgets and updates.
7. Developments on Human Resource of the Company.
8. Other information as mentioned in Schedule II Part A of the SEBI Listing Regulations.

Details of equity shares of the Company held by the Directors as on March 31, 2017 are given below :

(A) **Equity shares:**

Name	Category	No. of equity shares
Mr. V.C. Sehgal	Non-executive	32,517,957
Ms. Geeta Mathur	Independent	4,500
Mr. Naveen Ganzu	Independent	94,201
Mr. Laksh Vaaman Sehgal	Non-executive	55
Mr. Pankaj Mital	Executive	41,455

(B) **Equity Convertible instruments :** Nil

Meetings of Independent Directors

The Company's Independent Directors meet at least once a year without the presence of non-independent directors and management personnel inter alia to:

- review the performance of non-independent directors and the Board as a whole,
- review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors,
- assess the quality, quantity and timeliness of flow of information between the company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During the year under review, the Independent Directors met on January 30, 2017 without the presence of non-independent directors and management personnel to discuss the aforesaid matters.

All the Independent Directors were present at the Meeting.

Mr. S.C. Tripathi, IAS (Retd.), Lead Independent Director presided the meeting of the Independent Directors.

Performance Evaluation of Independent Directors

The Board evaluates the performance of Independent Directors and recommends commission payable to them based on their commitment towards attending the meetings of the Board/Committees, contribution and attention to the affairs of the Company and their overall performance apart from sitting fees paid for each Board and Committee Meetings attended by them.

Familiarization Programme of Independent Directors

The Independent Directors of the Company are eminent personalities having wide experience in the field of finance, education, industry, commerce and administration. Their presence on the Board has been advantageous and fruitful in taking business decisions.

Periodic presentations are made by Senior Management, Statutory and Internal Auditors at the Board/Committee Meetings on business and performance updates of the Company, global business environment, business risks and its mitigation strategy, impact of regulatory changes on strategy etc. Updates on relevant statutory changes encompassing important laws are regularly intimated to the Independent Directors.

The Independent Directors visited plants of the Company located at Pune during the year.

The details of the familiarization programme of the Independent Directors are available on the website of the Company at http://www.motherson.com/investor-overview.html.

Code of Conduct

The Company has stipulated Code of Conduct (the Code) for all the designated employees of the Company and its subsidiaries. The Code is applicable to Non-executive Directors including Independent Directors to such extent as may be applicable to them depending on their roles and responsibilities. The Code gives guidance and support needed for ethical conduct of business and compliance of law.

A copy of the Code has been put on the Company's website www.motherson.com. The Code has been circulated to the Directors and Management Personnel, and its compliance is affirmed by them annually.

The Members of the Board and Management personnel have affirmed the compliance with the Code applicable to them during the year ended on March 31, 2017. A declaration signed by the Whole-time Director & Chief Operating Officer is published in this Report.

COMMITTEES OF BOARD

Audit Committee

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

The Audit Committee of the Company comprises the majority of Independent Directors. The members of the Audit Committee met eight times during the financial year 2016-17 and the Committee reviewed the related party transactions, Internal Audit Report, quarterly, half-yearly and annual financial statements before submission to the Board.

The dates on which the meetings were held are as follows:

(i) May 16, 2016 (ii) July 5, 2016 (iii) August 9, 2016 (iv) August 31, 2016 (v) September 8, 2016 (vi) November 9, 2016 (vii) February 13, 2017 (viii) March 18, 2017.

The maximum time gap between two consecutive meetings did not exceed 120 (one hundred and twenty) days.

Out of eight meetings, two meetings were called at shorter notice .

The necessary quorum was present for all the meetings.

The composition and attendance of each member of the Committee is given below:

Name	Designation	Category	Committee meetings attended
Mr. S.C. Tripathi, IAS (Retd.)	Chairman	Independent	7
Mr. Toshimi Shirakawa	Member	Non-executive (Nominee of SWS)	7
Mr. Arjun Puri	Member	Independent	8
Mr. Gautam Mukherjee	Member	Independent	8
Ms. Geeta Mathur	Member	Independent	8
Mr. Laksh Vaaman Sehgal	Member	Non-executive (Nominee of SMIL)	7

The terms of reference of the Audit Committee comprises the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by them;
- Reviewing, with the management, the annual financial statements and auditor's report thereon;
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report;

- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Approval of the related party transactions as per policy of the company;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Scrutiny of inter-corporate loans and investments;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal observations by the internal auditors into matters where there is irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To review the functioning of the Vigil mechanism;
- Management Discussion and Analysis of financial condition and results of operations.
- The Audit Committee shall review the information required as per SEBI Listing Regulations.

The Audit Committee invites such executives, as it considers appropriate, representatives of the statutory auditors and representatives of the internal auditors to be present at its meetings. The Company Secretary acts as the Secretary to the Audit Committee.

The previous Annual General Meeting (AGM) of the Company was held on August 31, 2016 and the same was attended by Mr. S.C. Tripathi, IAS (Retd.), Chairman of the Audit Committee.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company has been constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations, read with Section 178(5) the Companies Act, 2013.

The Committee looks into shareholders' and investors' grievances. The following are the members of the Committee:

Name	Designation	Category
Mr. Gautam Mukherjee	Chairman	Independent
Ms. Noriyo Nakamura	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

Mr. G.N. Gauba, Company Secretary, is the Compliance Officer.

During the year, the meeting of the Committee was held on May 18, 2016, which was attended by all the members.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company has been constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 the Companies Act, 2013.

The Nomination and Remuneration Committee comprises Mr. Gautam Mukherjee (Independent Director)-Chairman, Ms. Geeta Mathur (Independent Director), Mr. Laksh Vaaman Sehgal (Non- Executive Director).

During the year, the meeting of the Committee was held on May 16, 2016, which was attended by all the members.

Terms of reference of the Nomination and Remuneration Committee include:

- To identify persons who are qualified to become directors and who may be appointed in the senior management, recommend to the Board about their appointment and removal and carry out evaluation of every director's performance;
- Formulation of the criteria for determining the qualifications, positive attributes and independence of the director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Whether to extend or continue the term of

appointment of the Independent Director, on the basis of the report of performance a valuation of the Independent Director.

- Devising a Policy on Board Diversity.

Remuneration Policy

The Company has adopted a comprehensive remuneration policy in consonance with the industry practices and rewards good performance of the employees of the Company. The policy ensures equality, fairness and consistency in rewarding the employees on the basis of performance against set objectives and the performance of the individuals measured through the annual appraisal process.

Corporate Social Responsibility (CSR) Committee

Corporate Social Responsibility (CSR) Committee of the Company is constituted in line with the provisions of Section 135 of the Companies Act, 2013.

CSR Committee comprises Mr. V.C. Sehgal as Chairman, Mr. Arjun Puri (Independent Director) and Mr. Laksh Vaaman Sehgal as member of the Committee.

Terms of reference of the Committee :

- To formulate and recommend to the Board, a CSR Policy and the activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013;
- To recommend amount of expenditure on CSR activities;
- To monitor CSR Policy of the Company.

The Company has framed the CSR Policy which is available at its website: www.motherson.com.

During the year, the meeting of the Committee was held on February 13, 2017, which was attended by all the members.

Risk Management Committee

The Risk Management Committee of the Company is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations.

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.

The Risk Management Committee comprises the Directors viz. Mr. Laksh Vaaman Sehgal (Chairman), Ms. Geeta Mathur (Independent Director), Ms. Noriyo Nakamura, Mr. Pankaj Mital and Official viz. Mr. G.N. Gauba.

During the year, the meeting of the Committee was held on March 18, 2017, which was attended by all the members.

The Risk Management Committee also reviewed the IT setup of the Company at group level.

Other Committees:

(i) **Committee of Directors (Administrative Matters)**

The Company has a Committee of Directors for Administrative Matters which has been constituted and authorised by the Board to facilitate decision making required to perform various day to day operations of the organization. The Committee has been formed on September 10, 2012 and the Committee met ten times during the financial year 2016-17.

The following are the members of the Committee:

Mr. Laksh Vaaman Sehgal	:	Chairman
Ms. Noriyo Nakamura	:	Member
Mr. Pankaj Mital	:	Member

The terms of reference of the Committee of Directors includes the following:

- To open bank accounts and to authorise Directors and/or Officers to operate the said accounts;
- To authorise Directors and/or Officers to represent the Company before Government and other Authorities/Bodies;
- To appoint Occupier of the Factory of the Company;
- To authorise Officials of the Company to sign necessary statutory documents;
- To authorise Director and/or Officers of the Company to acquire land and sign and execute lease/sub-lease agreements;
- To authorise any Director and/or Officer of the Company to represent the Company at any meeting of shareholders or other stakeholders;
- Any other items as may be decided by the Board.

(ii) **Committee of Directors (Strategic Business Matters)**

The Company has a Committee of Directors for Strategic Business Matters which was constituted on January 31, 2014.

The Committee comprises Mr. Laksh Vaaman Sehgal (Chairman), Mr. S.C. Tripathi, IAS (Retd.) (Independent Director), Ms. Geeta Mathur (Independent Director), Ms. Noriyo Nakamura (Non- Executive Director) and Mr. Pankaj Mital (Whole-time Director).

The Committee's role covers a detailed review of the following matters before these are presented to the Board:

1. Acquisition proposals, Divestment and Business re-organisation proposals
2. Business & Strategy Review
3. Long-term financial projections and cash flow
4. Any other items as may be delegated by the Board

Remuneration of Directors

The Company pays remuneration by way of salary, benefits, perquisites and allowance to its Whole-time Director. Annual increment is decided by the Board within the salary scale approved by the members and is effective April 1, each year.

During the year 2016-17 the Company paid sitting fees to its Independent Directors for attending meetings of the Board and Committees of the Board of ₹50,000 per meeting for Board and Audit Committee Meeting and ₹30,000 for the other Committee Meeting of the Board. The members have, at the Annual General Meeting of the Company held on August 31, 2016, approved payment of commission to the Non-executive Directors within the ceiling of 1% of the net profits of the Company as computed under the applicable provisions of the Act. The said commission is decided each year by the Board of Directors and distributed amongst the Independent Directors for their contribution at the Board.

Details of the remuneration for the financial year ended March 31, 2017 are as follows:

a. Non-executive (Independent Directors) :

Name of the Director	Commission (₹)	Sitting fee (₹)
Mr. S.C.Tripathi IAS (Retd.)	3,000,000	800,000
Mr. Arjun Puri	3,000,000	10,30,000
Mr. Gautam Mukherjee	3,000,000	11,40,000
Ms. Geeta Mathur	3,000,000	10,90,000
Mr. Naveen Ganzu	3,000,000	600,000

b. Whole-time Director :

Name of the Director	Salary	Amount (₹)
Mr. Pankaj Mital	Basic salary	12,000,000
	Bonus	2,400,000
	Benefits perquisites and allowances	4,846,200
	Total	**19,246,200**

Mr. Pankaj Mital was appointed Whole-time Director for three year from April 1, 2014 to March 31, 2017. As per the recommendation of the Nomination and Remuneration Committee, Board of Directors at their meeting held on May 19, 2017, re-appointed Mr. Pankaj Mital as a Whole-time Director, w.e.f. April 01, 2017 to September 30, 2021, subject to the approval of the shareholders in the ensuing Annual General Meeting and the period of service can be terminated by either party giving three month notice in advance.

System for transfer of Shares

- All shares have been transferred and returned within stipulated time, so long as the documents have been in order in all respects.
- The Share Transfer Committee meets normally once a fortnight.
- Total number of shares transferred in physical form during the year 2016-2017 was 23,695 shares as compared to 51,928 shares during 2015-2016.
- 99.47% of the equity shares of the Company are in electronic form as on March 31, 2017. Transfers of these shares are done through the depositories with no involvement of the Company.
- As on March 31, 2017, there are no equity shares pending for transfer.

To expedite the share transfer process in the physical segment, authority has been delegated to the Share Transfer Committee which comprises:

Mr. Laksh Vaaman Sehgal	:	Chairman
Ms. Noriyo Nakamura	:	Member
Mr. Pankaj Mital	:	Member

Share transfer/ transmissions approved by the Committee are placed at the quarterly Board Meeting.

The Company obtains half-yearly certificate from a Company Secretary in Practice to the effect that all certificates have been issued within thirty days of the date of lodgment of the transfer, sub division, consolidation and renewal as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with Stock Exchanges.

Investor Relations

135 complaints relating to non-receipt of shares after transfer, non-receipt of dividend, bonus shares etc. were received.

All the complaints received during the year were cleared within the financial year.

The complaints are generally responded to within seven days from the date in which they are lodged with the Company / RTA.

Particulars of the past three AGMs

Annual General Meeting	Date	Time	Venue	Special Resolutions passed
27th	August 25, 2014	11:30 A.M.	FICCI Golden Jubilee Auditorium, New Delhi	--
28th	July 28, 2015	11:00 A.M.	FICCI K.K. Birla Auditorium, New Delhi	--
29th	August 31, 2016	11:00 A.M.	St. Andrew's Auditorium, St. Dominic Road, Bandra West, Mumbai	- Issuance of equity shares on preferential basis to Sumitomo Wiring Systems Ltd. - Issuance of Foreign Currency Convertible Bonds to Sumitomo Wiring Systems Ltd. - Issuance of equity shares through Qualified Institutional Placement - Enhancement of the limit of holding of FII / FPI

Special Resolution passed through Postal Ballot

(i) During the year under review, the Company sought the approval of the shareholders by way of special resolution through notice of postal ballot dated March 18, 2017 for creation of charge over shares of MSSL (GB) Ltd. to be held by the Company to secure borrowings availed by the Company. The result of the same was announced on May 19, 2017. Mr. D.P. Gupta, Company Secretary in whole-time practice, was the scrutinizer for conducting the postal ballot in a fair and transparent manner.

Details of voting pattern are as below:

Total No. of shares/ votes	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
1403526327	1193229441	85.02	1188431571	4797870	99.60	0.40

(ii) The Company sought the approval of the shareholders by way of special resolution through notice of postal ballot dated May 19, 2017 for issuance of bonus shares to the existing shareholders. The result of which announced on June 27, 2017. Mr. D.P. Gupta, Company Secretary in whole-time practice, was the scrutinizer for conducting the postal ballot in a fair and transparent manner.

Details of voting pattern are as below :

Total No. of shares/ votes	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes in favour	No. of Votes against	% of Votes in favour on votes polled	% of Votes against on votes polled
1403526327	1184026951	84.36	1184026595	356	100	0

30th Annual General Meeting

- None of the business proposed to be transacted in the ensuing AGM require the passing of a special resolution by way of Postal Ballot.

- In Compliance with Regulation 44 of SEBI Listing Regulations and Section 108 and other applicable provisions of the Companies Act 2013, read with the related Rules, the Company provides electronic voting facility to all its members to enable them to cast their votes electronically. The Company has engaged the services of Karvy Computershare Pvt. Ltd. for the purpose of providing e-voting facility to all its members.

Means of Communication

The quarterly, half-yearly and annual results of the Company are published in leading newspapers of India which include The Economic Times, Times of India and Nav Bharat Times. The results are also displayed on the Company's website www.motherson.com. Press Release made by the Company from time to time are also displayed on the Company's website.

Detailed presentations are made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations are also uploaded on the Company's website.

The Company regularly interacts with the shareholders through multiple channels of communication such as publication of results, Annual Report, press releases, Analysts Call after the Board Meeting. The Company also informs the Stock Exchanges in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

The Company's website www.motherson.com contains a separate dedicated section 'Investor Relations' where shareholders' information is available. The Company's Annual Report is also available in downloadable form.

NSE Electronic Application Processing Systems (NEAPS) : NEAPS is a web-based application designed by NSE for corporates. All periodical compliance filings like shareholding patterns, corporate governance report, media release, statement of investor complaints, announcements, among others are filed electronically on NEAPS.

BSE Corporate Compliance & Listing Centre (the Listing Centre) : BSE's Listing Centre is a web-based application designed by BSE for corporates. All periodical compliance filings like shareholding patterns, corporate governance report, media release, statement of investor complaints, announcements, among others are filed electronically on the Listing Centre.

Management Discussion and Analysis

Management Discussion and Analysis is covered separately as a part of the Annual Report.

Other Disclosures

- No transactions of material nature requiring shareholders' approval have been entered into by the Company with the Directors or Management and their relatives, etc. that may have a potential conflict with the interests of the Company.

- All transactions entered into with related parties as defined under the Act and Regulation 23 of SEBI Listing Regulations during the financial year were in the ordinary course of business. These have been approved by the Audit Committee. The Board has approved a policy for related party transactions which has been uploaded on the Company's website (http://www.motherson.com/investor-overview.html).

- Transactions with the related parties are disclosed in Note No. 38 in the Annual Report.

- Mr. Laksh Vaaman Sehgal is currently based out of London and oversees SMRP group business. In addition to this he is also spearheading the R&D initiative at Motherson Innovations Company

Ltd., UK ("MI"), where he is a director. MI is primarily involved in innovative and technological solutions for the entire Group. Mr. Laksh Vaaman Sehgal is remunerated as a part time employee by MI for the time spent in UK and overseas. For the year 2016-17, Mr. Laksh Vaaman Sehgal was paid GBP 118,546 and an accommodation was provided for his stay by SMR Automotive Mirrors UK Ltd. in London, UK. Further, he also supports the GSP business out of Dubai and for his efforts he was paid remuneration of AED 300,000 by Samvardhana Motherson Global (FZE).

- No penalties or strictures were imposed by SEBI or the Stock Exchange or any statutory authority, on any matter related to capital markets, during the last three years.

  The Company has also adopted Policy on Determination of Materiality for Disclosures Policy on Archival of Documents and Policy for Preservation of Documents, which have been uploaded on the Company's website (http://www.motherson.com/investor-overview.html).

- All mandatory requirements have been complied with.

Whistle-blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee. The said policy has been also put up on the website of the Company (http://www.motherson.com/investor-overview.html).

The Company has also appointed an independent external ombudsman, "Thought Arbitrage Consultancy (TAC)". TAC consists of trained professional with expertise in this field. Any complaint or protected disclosure pertaining to an improper or unethical act as defined in the Whistle-blower Policy should be submitted to TAC. The policy with the name and address of the Chairman of the Audit Committee has been communicated to the employees by uploading the same on the website of the Company. The employees can directly contact the Chairman of the Audit Committee on the email address as mentioned in the `Vigil Mechanism Policy' uploaded at the website of the Company.

Subsidiary Companies

The Audit Committee reviews the consolidated financial statements of the Company. The minutes of the Board Meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

The Company does not have any material non-listed Indian subsidiary companies. Keeping in view good corporate governance, Mr. S.C. Tripathi, IAS (Retd.) and Mr. Gautam Mukherjee, the Company's Independent Directors have been appointed as Independent Director on the Board of Samvardhana Motherson Polymers Limited and SMR Automotive Systems India Limited, respectively and both are unlisted subsidiary company.

The Company has a policy for determining 'material subsidiaries' which is disclosed on its website of the Company (http://www.motherson.com/investor-overview.html).

CEO/CFO Certifications

The Whole-time Director and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 at its meeting held on May 19, 2017.

General Shareholders Information

1. **Annual General Meeting (AGM) to be held**

   Date : 21.08.2017
   Day : Monday
   Time : 10:30 A.M.
   Venue : Swatantryaveer Savarkar Rashtriya Smarak Auditorium, 252, Veer Savarkar Marg, Shivaji Park, Dadar (W), Mumbai - 400 028

2. **Financial Calendar (tentative and subject to change)**

   - Financial reporting for the first quarter ending June 30, 2017: on or before August 14, 2017;
   - Financial reporting for the second quarter ending September 30, 2017: on or before November 15, 2017;
   - Financial reporting for the third quarter ending December 31, 2017: on or before February 15, 2018;
   - Financial results for the year ending March 31, 2018: on or before May 30, 2018.

3. Book Closure date : From 18.08.2017 to 21.08.2017 (both days inclusive).

4. Dividend payment date : Dividend for the financial year 2016-17, if declared will be paid on or after 21.08.2017

5. Listing on stock exchanges:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001 Stock Code: 517334	National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot no. C/1, G Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400051 Stock Code: MOTHERSUMI

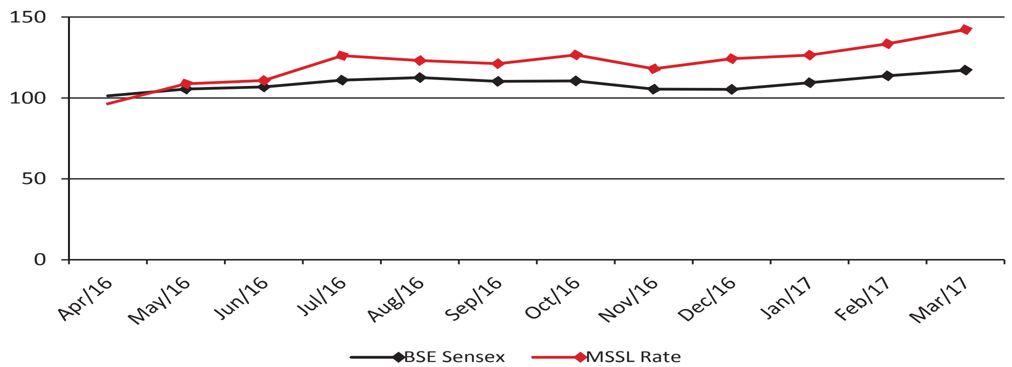
Payment of listing fees :
Listing fees for the year 2017-18 has been paid to BSE Limited and National Stock Exchange of India Limited.

Payment of depository fees :
Annual Custody/Issuer fee for the year 2017-18 has been paid by the Company to NSDL and CDSL.

6. Market price data

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April 2016	278.40	241.10	278.80	241.00
May 2016	296.40	248.25	304.65	248.75
June 2016	307.60	264.55	308.10	264.50
July 2016	332.80	274.10	332.95	274.05
August 2016	358.55	310.20	358.65	310.05
September 2016	343.00	287.40	341.95	285.25
October 2016	337.90	316.20	338.00	316.00
November 2016	335.40	278.00	335.50	278.35
December 2016	332.50	301.20	331.60	302.40
January 2017	348.50	318.75	348.90	319.00
February 2017	358.90	325.65	359.40	325.40
March 2017	386.00	346.00	383.00	346.00

7. Performance in comparison to broad based indices



Base 100 = April 1, 2016

8. Shareholding Pattern of the Company as on 31.03.2017

Category	No. of shares held	% of shareholding
Indian Promoters	495,941,059	35.33
Foreign Promoters	389,735,854	27.77
Financial Institutions, Mutual Funds & Banks	95,035,497	6.76
Foreign Institutional / Portfolio Investors	278,272,161	19.83
Bodies Corporate	45,694,744	3.26
General Public (Individuals)	89,375,392	6.37
NBFCs registered with RBI	246,748	0.02
NRIs/ Trusts	6,493,456	0.46
Clearing Members*	2,731,416	0.20
Total	**1,403,526,327**	**100.00**

* These shares are lying in pool account of NSDL/CDSL since buyers' identity is not established.

9. Registrar and Transfer Agents

The Registrar and Transfer Agent (RTA) of the Company is Karvy Computershare Pvt. Ltd. The investors can send their queries to:
Karvy Computershare Pvt. Ltd.
(Unit – Motherson Sumi Systems Ltd.)
Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District
Nanakramguda , Serilingampally Mandal, Hyderabad – 500032, India
Ph. No.- 040-67162222, Fax No.- 040-23001153
E-mail - einward.ris@karvy.com

10. Distribution of shareholding as on March 31, 2017

Range (Amount)	No. of shareholders	% of shareholders to total	No. of shares	% of shares to total
1 – 5000	97,677	96.55	28,581,775	2.03
5001 – 10000	1,201	1.19	8,381,548	0.60
10001 – 20000	1,109	1.10	16,651,374	1.19
20001 – 30000	275	0.27	6,574,278	0.47
30001– 40000	141	0.14	4,890,023	0.35
40001 – 50000	94	0.09	4,229,991	0.30
50001 – 100000	206	0.20	15,023,695	1.07
100001 and above	468	0.46	1,319,193,643	93.99
TOTAL	**101,171**	**100.00**	**1,403,526,327**	**100.00**

11. Dematerialization of shares and liquidity :

The Company's shares are compulsorily tradable in dematerialized from on NSE and BSE, which provide sufficient liquidity to the investors. The Company has established connectivity with both the depositories i.e. NSDL and CDSL. Equity shares of the Company representing 99.47% of the Company's equity share capital are dematerialized as on March 31, 2017. Details are given below:

Mode of holding	%age
NSDL	98.53
CDSL	0.94
Physical	0.53
TOTAL	100.00

Demat ISIN Number in NSDL and CDSL for equity shares: ISIN No.-INE775A01035.

12. Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments and hence as on March 31, 2017, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

13. Commodity price risk or foreign exchange risk and hedging activities:

Please refer to Management Discussion and Analysis Report for the same.

14. Plant Locations (in India):

Noida (Uttar Pradesh)
Haldwani (Uttrakhand)
Lucknow (Uttar Pradesh)
Faridabad (Haryana)
Gurgaon (Haryana)
Manesar (Haryana)
Pune (Maharashtra)
Kandla (Gujarat)
Sanand (Gujarat)
Pathredi (Rajasthan)
Tapukara (Rajasthan)
Bengaluru (Karnataka)
Chennai (Tamilnadu)
Puducherry

Representative Office(s)
Sharjah
Germany

15. Address for correspondence :

The Shareholders may address their communication / grievances/queries/ suggestions to

Karvy Computershare Pvt. Ltd. (Unit – Motherson Sumi Systems Ltd.) Karvy Selenium Tower B Plot number 31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India Ph. No.- 040-67162222, Fax No.- 040-23001153 E-mail - einward.ris@karvy.com	Company Secretary Motherson Sumi Systems Limited Plot No. -1, Sector – 127, Noida – 201301 (U.P.) Phone No. : 0120 -6752100, 6752258 E-mail : investorrelations@motherson.com Website : www.motherson.com

Compliance Certificate

Compliance Certificate for the Corporate Governance from the Statutory Auditors of the Company is annexed herewith.

The above Report has been placed before the Board at its meeting held on July 08, 2017 and the same was approved.

Declaration regarding compliance with the Company's code of conduct

This is to confirm that the Company has adopted a Code of Conduct for Board of Directors and Senior Management and the same is available on the Company's website.

I confirm that the Company has in respect of the financial year March 31, 2017 received from the Board of Directors and Senior Management a declaration of compliance with the Code of Conduct.

For Motherson Sumi Systems Limited

Place: Noida
Date: July 08, 2017

Pankaj Mital
Chief Operating Officer

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of Motherson Sumi Systems Limited

We have examined the compliance of conditions of Corporate Governance by Motherson Sumi Systems Limited, for the year ended March 31, 2017 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015).

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants
Rajib Chatterjee

Place: Gurgaon
Date: July 08, 2017

Partner
Membership No: 057134

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of Motherson Sumi Systems Limited("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,implementation and maintenance of adequate internal financial controls,that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10)of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment,including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 17, 2016 and May 12, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

11. 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 Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) 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 knowledge and belief and according to the information and explanations given to us:

i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017on its financial position in its standalone Ind AS financial statements – Refer Note 20 and Note 43;

ii. The Company has made provision as at March 31, 2017, as required under the applicable law or accounting standards, for material foreseeable losses,if any, on long-term contracts including derivative contracts – Refer Note 36;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017;

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 44.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Noida
Date: May 19, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Motherson Sumi Systems Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

5. 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail,accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii)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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Noida
Date: May 19, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2017

i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.

(b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.

(c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.

ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.

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. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.

v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, 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 the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of excise and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount in ₹ (million) (*)	Period (AY) to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	12.69	2002-03	Hon'ble Supreme Court
Income Tax Act, 1961	Income Tax	19.62	2003-04, 2004-05and 2005-06	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	53.45	2004-05 and 2010-11 to 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	21.77	2003-04, 2004-05, 2006-07&2008-09	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Central Excise	22.49	2005-06 to 2008-09	Hon'ble High Court, Allahabad
Central Excise Act, 1944	Central Excise	11.60	2007-08	Custom, Excise and Service Tax Appellate Tribunal

Name of the statute	Nature of dues	Amount in ₹ (million) (*)	Period (AY) to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Central Excise	4.78	2014-15 to 2015-16	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Service Tax	1.60	1999-2000 to 2001-02	Hon'ble High Court, Allahabad
Central Excise Act, 1944	Service Tax	8.12	2002-03 to 2003-04	Custom, Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Service Tax	8.14	2007 to 2015	Commissioner of Central Excise (Appeals)
Karnataka VAT Act, 2003	Value Added Tax & Sales Tax	9.18	2010-11	Hon'ble High Court, Karnataka
U.P. VAT Act, 2008	Value Added Tax & Sales Tax	7.69	2008-09 & 2011-12	Additional Commissioner (Appeals)

* Amount under dispute is net of advance deposited, if any.

viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company has no debentures as at the balance sheet date.

ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).

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 material fraud by the Company or 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. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standards (IndAS) 24, related party disclosures specified in the Companies (Indian Accounting Standards) Rule, 2015 (as amended) under Section 133 of Act.

xiv. The Company has made a private placement of shares during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number: 057134

Place: Noida
Date: May 19, 2017

(All amounts in ₹ Million, unless otherwise stated)

BALANCE SHEET

	Note	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	13,824	14,086	14,612
Capital work in progress	3	530	652	399
Investment properties	5	592	233	228
Intangible assets	4	9	3	6
Investment in subsidiaries, joint ventures and associate	6(a)	44,764	7,224	7,063
Financial assets				
i. Investments	6(a)	207	231	240
ii. Loans	7	38	45	124
Deferred tax assets (net)	10	528	389	201
Other non-current assets	11	667	404	412
Total non-current assets		**61,159**	**23,267**	**23,285**
Current assets				
Inventories	12	6,917	6,418	5,075
Financial assets				
i. Investments	6(b)	8	6	6
ii. Trade receivables	8	8,115	5,921	4,577
iii. Cash and cash equivalents	13(a)	1,854	142	1,441
iv. Bank balances other than (iii) above	13(b)	36	43	20
v. Loans	7	95	165	77
vi. Other financial assets	9	2,562	1,506	1,795
Other current assets	14	2,034	1,472	1,919
Total current assets		**21,621**	**15,673**	**14,910**
Total assets		**82,780**	**38,940**	**38,195**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	1,404	1,323	882
Other equity				
Reserves and surplus	16(a)	56,474	23,049	23,301
Other reserves	16(b)	149	167	163
Total equity		**58,027**	**24,539**	**24,346**
Liabilities				
Non current liabilities				
Financial Liabilities				
i. Borrowings	17(a)	11,543	1,939	3,166
ii. Other financial liabilities	18	194	191	135
Employee benefit obligations	21	354	286	274
Government grants	22	111	110	101
Total non-current liabilities		**12,202**	**2,526**	**3,676**

(All amounts in ₹ Million, unless otherwise stated)

	Note	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
Current liabilities				
Financial Liabilities				
i. Borrowings	17(b)	37	1,410	947
ii. Trade payables				
Total outstanding dues of micro, small and medium enterprises and	19	113	49	25
Total outstanding dues of creditors other than micro, small and medium enterprises	19	7,694	5,673	4,830
iii. Other financial liabilities	18	2,413	2,354	1,815
Provisions	20	20	17	19
Employee benefit obligations	21	288	201	157
Government grants	22	15	14	11
Current tax liabilities (net)	23	437	425	743
Other current liabilities	24	1,534	1,732	1,626
Total current liabilities		**12,551**	**11,875**	**10,173**
Total liabilities		**24,753**	**14,401**	**13,849**
Total equity and liabilities		**82,780**	**38,940**	**38,195**

This is the Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE
Partner
Membership No.: 057134

Place: Noida
Date : May 19, 2017

The above Standalone balance sheet should be read in conjunction with the accompanying notes

For and on behalf of the Board

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

(All amounts in ₹ Million, unless otherwise stated)

STATEMENT OF PROFIT AND LOSS

	Note	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue			
Revenue from operations	25	70,632	58,819
Other income	26	1,069	1,708
Total income		**71,701**	**60,527**
Expenses			
Cost of materials consumed	27	31,178	26,560
Purchase of stock-in-trade		2,833	2,187
Changes in inventory of finished goods, work-in-progress and stock in trade	28	(166)	(212)
Excise duty		7,154	5,889
Employee benefit expenses	29	8,560	7,133
Depreciation and amortization expense	32	1,977	2,008
Other expenses	30	8,313	6,956
Finance costs	31	124	474
Total expenses		**59,973**	**50,995**
Profit before tax		**11,728**	**9,532**
Tax expenses	33		
Current tax		3,556	2,515
Deferred tax expense/ (credit)		(101)	(169)
Total tax expense		**3,455**	**2,346**
Profit for the year		**8,273**	**7,186**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Changes in fair valuation of FVOCI equity investment		21	5
Deferred tax on fair valuation of FVOCI equity investment		(5)	(1)
Remeasurements of post-employment benefit obligations		(120)	(58)
Deferred tax on remeasurements of post-employment benefit obligations		42	20
Other comprehensive income for the year, net of tax		**(62)**	**(34)**
Total comprehensive income for the year		**8,211**	**7,152**
Earnings per share: (Refer Note 34)			
Nominal value per share: ₹1/- (Previous year : ₹1/-)			
Basic		6.05	5.43
Diluted		6.05	5.43

This is the Statement of Profit and Loss referred to in our report of even date

The above Standalone statement of profit and loss should be read in conjunction with the accompanying notes

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

For and on behalf of the Board

RAJIB CHATTERJEE
Partner
Membership No.: 057134

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

Place: Noida
Date : May 19, 2017

(All amounts in ₹ Million, unless otherwise stated)

STATEMENT OF CHANGE IN EQUITY

A. Equity share capital

	Notes	Amount
As at April 01, 2015		**882**
Changes in Equity Share capital	15	441
As at March 31, 2016		**1,323**
Changes in Equity Share capital	15	81
As at March 31, 2017		**1,404**

B. Other equity

	Note	Reserves & Surplus				Other Reserves	Total
		Securities premium reserve	Reserve on amalgamation	General Reserve	Retained Earning	FVOCI equity investments	
Balance as at April 01, 2015		**3,226**	**1,663**	**3,363**	**15,049**	**163**	**23,464**
Profit for the year		-	-	-	7,186	-	**7,186**
Other comprehensive income		-	-	-	(38)	4	**(34)**
Total comprehensive income for the year		**-**	**-**	**-**	**7,148**	**4**	**7,152**
Deductions during the year						-	**-**
Dividend paid	16	-	-	-	(5,953)	-	**(5,953)**
Tax on Dividend	16	-	-	-	(1,006)	-	**(1,006)**
Bonus issue	15	(441)	-	-	-	-	**(441)**
Balance at March 31, 2016		**2,785**	**1,663**	**3,363**	**15,238**	**167**	**23,216**
Profit for the year		-	-	-	8,273	-	**8,273**
Other comprehensive income		-	-	-	(78)	16	**(62)**
Total comprehensive income for the year		**-**	**-**	**-**	**8,195**	**16**	**8,211**
Additions during the year							
Issue of equity shares, net of transaction costs	16	25,196	-	-	-	-	**25,196**
Transfer of gain on fair valuation of equity instrument at FVOCI to retained earnings upon its sale	16	-	-	-	34	(34)	**-**
Balance at March 31, 2017		**27,981**	**1,663**	**3,363**	**23,467**	**149**	**56,623**

This is the Statement of change in equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE
Partner
Membership No.: 057134

Place: Noida
Date : May 19, 2017

The above Statement of change in equity should be read in conjunction with the accompanying notes

For and on behalf of the Board

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

(All amounts in ₹ Million, unless otherwise stated)

CASH FLOW STATEMENT

		For the year Ended	
		March 31, 2017	March 31, 2016
A.	**Cash flow from operating activities:**		
	Net profit before tax	11,728	9,532
	Adjustments for:		
	Depreciation & Amortisation	1,966	2,006
	Depreciation on investment property	11	2
	Amortisation of government grant	(17)	(13)
	Gain on disposal of property, plant & equipment (net)	(13)	(41)
	Liabilities no longer required written back	(56)	(28)
	Bad debts/advances written off	22	2
	Provision for doubtful debts / advances	2	60
	Gain on sale of Investments	(779)	(445)
	Provision for gratuity & compensated absences	34	(2)
	Provision for warranty	3	7
	Provision for diminution in the value of investment (net)	(45)	(15)
	Interest income	(182)	(68)
	Dividend income	(172)	(1,122)
	Finance cost	124	474
	Unrealised foreign exchange loss (net)	(43)	(31)
	Operating profit before working capital changes	**12,583**	**10,318**
	Change in working Capital:		
	Increase/(Decrease) in Trade Payables	2,151	904
	Increase/(Decrease) in Other Payables	(198)	98
	Increase/(Decrease) in Other financial liability	450	217
	(Increase)/Decrease in Trade Receivables	(2,215)	(1,333)
	(Increase)/Decrease in Inventories	(499)	(1,343)
	(Increase)/Decrease in other financial assets	(1,056)	288
	(Increase)/Decrease in Other Receivables	(622)	384
	Cash generated from operations	**10,594**	**9,533**
	Taxes paid (net of refund)	(3,526)	(2,750)
	Net cash generated from operating activities	**7,068**	**6,783**
B.	**Cash flow from Investing activities:**		
	Payments for property, plant & equipment	(2,522)	(1,731)
	Proceeds from sale of property, plant & equipment	31	122
	Proceeds from sale / (payment for purchase) of investments (net)	(36,672)	304
	Loan (to)/repaid by related parties (net)	143	(36)
	Interest received	165	62
	Dividend received from subsidiaries	-	781
	Dividend received from others	172	264
	Proceeds from maturity/ (Investment) in fixed deposits	7	(23)
	Proceeds from Government subsidy	47	64
	Net cash used in investing activities	**(38,629)**	**(193)**

(All amounts in ₹ Million, unless otherwise stated)

		For the year Ended	
		March 31, 2017	March 31, 2016
C.	**Cash flow from financing activities:**		
	Proceeds from issues of shares	25,277	-
	Dividend paid	(16)	(5,928)
	Dividend distribution tax	-	(1,006)
	Interest paid	(108)	(235)
	Proceeds from long term borrowings	11,007	96
	Proceeds from other short term borrowings	-	443
	Repayment of long term borrowings	(1,518)	(1,266)
	Repayment of other short term borrowings	(1,373)	-
	Net cash used in financing activities	**33,269**	**(7,896)**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**1,708**	**(1,306)**
	Net Cash and Cash equivalents at the beginning of the year	**142**	**1,441**
	Cash and cash equivalents as at current year closing	**1,850**	**135**
	Cash and cash equivalents comprise of the following (Note 13(a))		
	Cash on hand	17	11
	Cheques / drafts on hand	127	27
	Balances with banks	1,710	104
	Cash and cash equivalents as per Balance Sheet	**1,854**	**142**
	Effect of exchange differences on balances with banks in foreign currency	(4)	(7)
	Total	**1,850**	**135**

Notes:

i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

ii) Figures in brackets indicate Cash Outflow.

This is the Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE

Partner

Membership No.: 057134

Place: Noida

Date : May 19, 2017

The above Standalone cash flow statement should be read in conjunction with the accompanying notes

For and on behalf of the Board

V.C. SEHGAL

Chairman

NORIYO NAKAMURA

Director

PANKAJ MITAL

Whole-time Director/

Chief Operating Officer

G.N. GAUBA

Chief Financial Officer &

Company Secretary

1. Corporate Information

Motherson Sumi Systems Limited (MSSL or 'the Company') was incorporated and domiciled in India on December 19, 1986 and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The address of its registered office is Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai, Maharashtra. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange. The Company is a joint venture entity between Samvardhana Motherson International Limited (SMIL) and Sumitomo Wiring Systems Limited, Japan.

2. 1 Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements upto March 31, 2016 were prepared in accordance with the accounting standards notified in Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the Company under Ind AS. Refer note 48 For an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value
- Defined benefit pension plans – plan assets measured at fair value, and

(b) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segment. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole.

(c) Foreign currency translation

(i) Functional and presentation currency

The Company's functional currency is Indian Rupee (₹) and the financial statements are presented in Indian Rupee (₹).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments (other than investment in subsidiaries, joint ventures and associates) held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity investments (other than investment in subsidiaries, joint ventures and associates) classified as FVOCI are recognised in other comprehensive income.

(d) Revenue recognition and Other income

Sale of goods:

Measurement of revenue: Revenue is measured at the fair value of the consideration received or receivable. Sales are recognised when the significant risks and rewards of ownership are transferred to the buyer as per the terms of contract and are recognised. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Timing of recognition: The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Company's activities. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of services:

Measurement of revenue: In contracts involving the rendering of services, revenue as per terms of the contracts is recognised net of service tax. Revenues from the sale of services are recorded with respect to the stage of completion as of the reporting date in relation to the total service to be provided in the course of the transaction.

Timing of recognition: Revenue from services is recognised in the accounting period in which the services are rendered.

Tooling Revenue

Timing of recognition: The Company develops tooling for its customers. The Company uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The Company determines the level of completion on the basis of milestones achieved to date.

Measurement of revenue: When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable. The Company does not recognize profit on booking of such revenue ("Zero profit margin method") since it is not possible to determine the level of completion reliably. The costs include all expenses incurred in direct relation to the specific projects and a proportion of the fixed and variable general costs incurred on the basis of normal capacity for the Company's construction contracts. On the balance sheet, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.

Rental Income

Measurement of revenue: Rental income arising from investment properties given under operating leases is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit and loss.

Timing of recognition: Rental income is recognised over the period for which the investment property is given on rent.

Other income

Interest

Interest is recognised using the effective interest rate (EIR) method, as income for the period in which it occurs. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend

Dividend income is recognised when the right to receive payment is established, which is generally when shareholders approve the dividend.

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

(e) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(f) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in India. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences only if it is probable that future taxable amounts will be available to utilise those temporary differences.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Investment allowances and similar tax incentives

The Company may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The Company accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

(g) Leases

As a Lessee

Leases of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities, as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(h) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In case events which caused impairment initially ceases to exist, impairments are only reversed to the extent that increased carrying amount of the asset does not exceed the carrying amount that would have been in place had there no impairment been carried out in the first place, taking into account the normal depreciation/ amortization.

(i) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value plus transaction costs. Trade receivables are measured at amortised cost using the effective interest method less any necessary write-downs.

(k) Inventories

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw material and traded goods comprise cost of purchase. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(l) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and

- those to be measured subsequently at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Equity instruments and Mutual Fund

The Company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets:

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

A financial asset is derecognised only when

(i) The Company has transferred the rights to receive cash flows from the financial asset or

(ii) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(m) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The Company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

The Company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Hedge accounting

The Company designates fixed-to-fixed cross-currency interest-rate swaps as hedging instruments in cash flow hedges in respect of risk of variability, due to changes in foreign exchange rates, in cash flows on financial assets and financial liabilities denominated in foreign currency. The Company also designates foreign currency forward contracts as hedging instruments in respect of risk of variability of cash flows due to cash flows in currencies denomination in other than the functional currency of the entity. Such hedges of foreign exchange risk on highly probable forecast cash flows are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity 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 of the hedged item.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in 'Cash Flow Hedge Reserve'. The gain or loss relating to the ineffective portion is recognised immediately in the income statement, and is included in the line 'Other Income or Other Operating Expenses'.

Amounts previously recognised in 'Cash Flow Hedge Reserve' and accumulated in equity are reclassified to the income statement in the periods when the hedged item affects income statement in the relevant income/ expense head for which swap/ forward is taken. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously deferred in equity are reclassified from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as cost of goods sold in the case of inventory, or as depreciation or impairment in the case of fixed assets.

Discontinuation of hedge accounting

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or it no longer qualifies for hedge accounting. Any gain or loss accumulated in equity is reclassified from equity to income statement in the same period or periods during which the hedged forecast cash flows affect the income statement. If the underlying hedge transaction is no longer expected to occur, the amounts accumulated in equity are immediately reclassified in full to the income statement.

Derivatives that are not designated as hedge

The Company enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/ expenses.

(n) Property, plant and equipment

Freehold land is stated at historical cost. All other items ofproperty, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements, the shorter lease term as follows:

Assets	Useful lives(years)
Leasehold Land	Over the period of lease
Leasehold improvements	Over the period of lease
Buildings	30 years
Plant & Machinery:	
Plant & Machinery	7.5 years*
Die & Moulds	6.17 years*
Electric Installation	10 years
Furniture & fixtures	6 years*
Office equipment	5 years
Computers:	
Server & Networks	3 years*
End user devices, such as desktops, laptops, etc.	3 years
Vehicles	4 years*

*Useful life of these assets are lower than the life prescribed under Schedule II to the Companies Act, 2013 and those has been determined based on technical evaluation by the management. The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(o) Investment properties

Investment properties, principally freehold office buildings, leasehold land and industrial properties are held for long-term rental yields or for capital appreciation or for both and are not occupied by the Company. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the Company and cost of item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using straight-line method over their estimated useful lives. Refer point 1(n) for depreciation rates used for building.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its investment properties recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties .

(p) Intangible assets

(i) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred. Separately acquired software's are shown at transaction cost. They are subsequently carried at cost less accumulated amortisation.

(ii) Amortisation periods

Asset	Useful lives (years)
Software	3 years

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets .

(q) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(r) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(s) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(t) Provisions and Contingent liabilities

Provisions

Provisions for legal claims, product warranties and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(u) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Provident Fund & Employee State Insurance

Contribution towards provident fund and employee state insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation fund

The Company have a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Company contributes up to 12% of the eligible employees' salary or ₹1,00,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plan in Company is funded through annual contributions to Life Insurance Corporation of India (LIC) under its Company's Gratuity Scheme whereas others are not funded.

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Past-service costs are recognised immediately in profit or loss.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise. Past-service costs are recognised immediately in profit or loss.

(v) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(w) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(x) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(y) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions unless otherwise stated.

2.2 Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

- Estimation of current tax expense and payable – Note 33
- Estimated fair value of unlisted securities- Note 35
- Estimated useful life of intangible asset – Note 4
- Estimation of defined benefit obligation – Note 21
- Estimation of provision for warranty claims – Note 20
- Recognition of deferred tax assets for carried forward tax losses – Note 10

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

(All amounts in ₹ Million, unless otherwise stated)

3. Property plant and equipment

Particulars	Leasehold Land Refer note (v)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work-in-progress
Year ended March 31, 2016											
Gross carrying amount											
Deemed cost as at April 01, 2015	1,247	1,035	86	5,381	6,639	66	70	41	47	14,612	399
Addition	-	-	5	581	851	25	20	60	21	1,563	253
Disposal	-	-	-	-	(84)	-	(1)	-	(14)	(99)	
Other adjustment	-	-	-	-	1	-	-	1	-	2	-
Closing gross carrying amount as at March 31, 2016	**1,247**	**1,035**	**91**	**5,962**	**7,407**	**91**	**89**	**102**	**54**	**16,078**	**652**
Accumulated depreciation											
Opening accumulated depreciation as at April 01, 2015	-	-	-	-	-	-	-	-	-	-	-
Depreciation charge during the year	14	-	13	234	1,643	19	27	31	29	2,010	-
Disposals	-	-	-	-	(6)	-	-	-	(12)	(18)	-
Closing accumulated depreciation as at March 31, 2016	**14**	**-**	**13**	**234**	**1,637**	**19**	**27**	**31**	**17**	**1,992**	**-**
Net carrying amount as at March 31,2016	**1,233**	**1,035**	**78**	**5,728**	**5,770**	**72**	**62**	**71**	**37**	**14,086**	**652**
Year ended March 31, 2017											
Gross carrying amount											
Opening gross carrying amount as at April 01, 2016	1,247	1,035	91	5,962	7,407	91	89	102	54	16,078	652
Addition	54	-	3	541	1,351	15	29	92	8	2,093	-
Disposal	-	(7)	-	(3)	(157)	-	(3)	(21)	(14)	(205)	-
Other adjustment (Refer Note (vi))	(143)	(39)	-	(197)	-	-	-	-	-	(379)	(122)
Closing gross carrying amount as at March 31, 2017	**1,158**	**989**	**94**	**6,303**	**8,601**	**106**	**115**	**173**	**48**	**17,587**	**530**

(All amounts in ₹ Million, unless otherwise stated)

Particulars	Leasehold Land Refer note (v)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work-in-progress
Accumulated depreciation											
Opening accumulated depreciation as at April 01, 2016	14	-	13	234	1,637	19	27	31	17	1,992	-
Depreciation charge during the year	14	-	12	238	1,590	21	27	53	13	1,968	-
Disposals	-	-	-	(3)	(149)	-	(4)	(21)	(11)	(188)	-
Other adjustment (Refer Note (vi))	(2)	-	-	(7)	-	-	-	-	-	(9)	-
Closing accumulated depreciation as at March 31, 2017	**26**	**-**	**25**	**462**	**3,078**	**40**	**50**	**63**	**19**	**3,763**	**-**
Net carrying amount as at March 31,2017	**1,132**	**989**	**69**	**5,841**	**5,523**	**66**	**65**	**110**	**29**	**13,824**	**530**

(i) Refer to note 40 for information on property plant and equipment pledged as security by the Company

(ii) Contractual obligations: Refer to note 41 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress: Capital work-in-progress mainly comprise plant & machinery, building and furniture

(iv) Includes depreciation of ₹7 million (March 31,2016: ₹7 million) capitalized during the year on assets used for the creation of self generated assets (Moulds) of ₹88 million (March 31,2016: ₹85 million) included in the head Plant & Machinery. (Refer Note. 32)

(v) Leasehold land represents land obtained on long term lease from various government authorities and considered as finance lease. (Refer note 42)

(vi) Other Adjustments in leasehold land (Gross Block: ₹143 million, Accumulated Depreciation: ₹2 million), freehold land (Gross Block: ₹39 million, Accumulated Depreciation: Nil) and building (Gross Block: ₹197 million, Accumulated Depreciation: ₹7 million) includes transfer to investment property during the year.

(All amounts in ₹ Million, unless otherwise stated)

4 Intangible assets

Particulars	Software [1]
Year ended March 31, 2016	
Gross carrying amount	
Deemed cost as at April 01, 2015	6
Addition	-
Closing gross carrying amount as at March 31, 2016	**6**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2015	-
Amortisation charge during the year	3
Disposals	-
Closing accumulated amortisation as at March 31, 2016	**3**
Net carrying amount as at March 31,2016	**3**
Year ended March 31, 2017	
Gross carrying amount	
Opening gross carrying amount as at April 01, 2016	6
Addition	11
Disposal	-
Closing gross carrying amount as at March 31,2017	**17**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2016	3
Amortisation charge during the year	5
Disposals	-
Closing accumulated amortisation as at March 31,2017	**8**
Net carrying amount as at March 31,2017	**9**

[1] Represents purchased intangible assets

5. Investment properties

	March 31, 2017	March 31, 2016
Gross carrying amount		
Opening gross carrying amount /deemed cost	235	228
Add: Additions during the year	379	7
Closing gross carrying amount	**614**	**235**
Accumulated depreciation:		
Opening balance	2	-
Add: Additions during the year	9	-
Add: Depreciation for the year	11	2
Closing accumulated depreciation	**22**	**2**
Net carrying amount	**592**	**233**

(All amounts in ₹ Million, unless otherwise stated)

(i) Amounts recognised in profit or loss for investment properties:

	March 31, 2017	March 31, 2016
Rental Income	20	21
Direct operating expenses from property that generated rental income*	(0)	(0)
Direct operating expenses from property that did not generate rental income	(1)	(1)
Profit from investment properties before depreciation	**19**	**20**
Depreciation	11	2
Profit from investment properties	**8**	**18**

(ii) Contractual obligations:

Refer note 41 for disclosure of contractual obligation towards purchase of investment property.

(iii) Leasing arrangements:

Certain investment properties are leased to tenants under long-term and short-term cancellable operating leases with rentals payable monthly.

(iv) Fair value:

	March 31, 2017	March 31, 2016	April 01, 2015
Investment properties	1,324	503	503

Estimation of fair value

The fair values of investment properties have been determined by independent valuer. The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc.

*Amount is below the rounding off norm adopted by the Company

6 (a) :Non-Current investments

	March 31, 2017	March 31, 2016	April 01, 2015
Investment in subsidiaries, joint ventures and associate			
(Unquoted instruments valued at cost unless stated otherwise)			
Investment in Subsidiaries :			
MSSL Mauritius Holdings Limited			
37,820,080 equity shares (March 31, 2016 : 37,820,080, April 01, 2015 : 37,820,080) of Euro 1 each fully paid-up	2,304	2,304	2,244
Net of provision for other than temporary diminution aggregating to ₹50 million (March 31, 2016 : ₹50 million, April 01, 2015 : ₹110 million)			
MSSL Mideast (FZE)			
1 equity share (March 31, 2016 : 1, April 01, 2015 : 1) of AED 150,000 equivalent to Euro 46,875 each fully paid-up	2	2	2
44,170,000 equity shares (March 31, 2016 : 44,170,000, April 01, 2015 : 44,170,000) of Euro 1 each fully paid-up	3,111	3,111	3,111
50,000,000 equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of Euro 1 each fully paid-up at a premium of Euro 2.60/-per share.	12,719	-	-

(All amounts in ₹ Million, unless otherwise stated)

	March 31, 2017	March 31, 2016	April 01, 2015
Motherson Electrical Wires Lanka Private Limited			
1,456,202 equity shares (March 31, 2016 : 1,456,202, April 01, 2015 : 1,456,202) of Srilankan ₹10/- each fully paid-up	7	7	7
MSSL (S) PTE Ltd.			
20,554,700 equity shares (March 31, 2016 : 20,554,700, April 01, 2015 : 14,554,700) of SGD 1/- each fully paid-up	960	960	673
Nil (March 31, 2016 : Nil, April 01, 2015 : 4,500,000) 6% redeemable at par non convertible and non cumulative preference shares of SGD 1/- each fully paid-up.	-	-	123
Samvardhana Motherson Polymers Limited			
522,750 equity shares (March 31, 2016 : 522,750, April 01, 2015 : 522,750) of ₹10/- each fully paid-up	5	5	5
1,351,500 equity shares (March 31, 2016 : 1,351,500, April 01, 2015 : 1,351,500) of ₹10/- each fully paid-up at a premium of ₹190/- per share.	270	270	270
46,920 equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of ₹10/- each fully paid-up at a premium of ₹2,300/- per share.	108	-	-
SMR Automotive Systems India Limited			
6,712,990 equity shares (March 31, 2016 : 6,712,990, April 01, 2015 : 6,712,990) of ₹10/- each fully paid-up	67	67	67
MSSL Automobile Component Limited			
50,000 equity shares (March 31, 2016 : 50,000, April 01, 2015 : 50,000) of ₹10/- each fully paid-up	1	1	1
MSSL (GB) Ltd.			
203,422,924 equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of GBP 1/- each fully paid-up at a premium of GBP 0.50/- per share.	24,705	-	-
Samvardhana Motherson Nippisun Technology Limited[2]			
4,455,000 equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of ₹10/- each fully paid-up	8	-	-
(A)	**44,267**	**6,727**	**6,503**
Investment in joint ventures :			
Woco Motherson Elastomer Limited [1]			
Nil equity shares (March 31, 2016 : Nil, April 01, 2015 : 1,139,333) of ₹10/- each fully paid-up	-	-	11
Woco Motherson Advanced Rubber Technologies Limited [1]			
Nil equity shares (March 31, 2016 : Nil, April 01, 2015 : 666,667) of ₹10/- each fully paid-up	-	-	7
Samvardhana Motherson Nippisun Technology Limited[2]			
Nil equity shares (March 31, 2016 : 4,455,000, April 01, 2015 : 4,455,000) of ₹10/- each fully paid-up	-	-	45
Net of provision for other than temporary diminution aggregating to ₹Nil (March 31, 2016 : 45 million, April 01, 2015 : ₹Nil).			
Kyungshin Industrial Motherson Limited			
8,600,000 equity shares (March 31, 2016 : 8,600,000, April 01, 2015 : 8,600,000) of ₹10/- each fully paid-up	86	86	86

(All amounts in ₹ Million, unless otherwise stated)

	March 31, 2017	March 31, 2016	April 01, 2015
Calsonic Kansei Motherson Auto Products Limited			
30,930,836 equity shares (March 31, 2016 : 30,930,836, April 01, 2015 : 30,930,836) of ₹10/- each fully paid-up	400	400	400
(B)	**486**	**486**	**549**
Investment in Associates :			
Saks Ancillaries Limited	11	11	11
1,000,000 equity shares (March 31, 2016 : 1,000,000, April 01, 2015 :1,000,000) of ₹10/- each fully paid-up			
(C)	**11**	**11**	**11**
Total Investment in subsidiaries, joint ventures and associate (A+B+C)	**44,764**	**7,224**	**7,063**
Equity investments at FVOCI			
Unquoted			
Motherson Air Travel Agencies Limited			
Nil equity shares (March 31, 2016 : 120,000, April 01, 2015 : 120,000) of ₹10/- each fully paid-up	-	45	41
Motherson Sumi INfotech & Designs Limited			
Nil 7% preference shares (March 31, 2016 : Nil, April 01, 2015 : 1,250,000) of ₹10/- each fully paid-up	-	-	13
1,200,000 Equity shares (March 31, 2016 : 1,200,000, April 01, 2015 : 1,200,000) of ₹10/- each fully paid-up	205	185	185
Green Infra Wind Power Projects Limited			
Nil Equity shares (March 31, 2016 : 120,000, April 01, 2015 : 120,000) of ₹10/- each fully paid-up	-	1	1
Echanda Urja Private Ltd *			
35,000 Equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of ₹10/- each fully paid-up	0	-	-
Tulsyan NEC Limited			
63,750 Equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of ₹30/- each fully paid-up	2	-	-
(D)	**207**	**231**	**240**
TOTAL (A+B+C+D)	**44,971**	**7,455**	**7,303**
Aggregate amount of quoted investments and market value thereof	-	-	-
Aggregate amount of unquoted investments	45,021	7,550	7,413
Aggregate amount of impairment in the value of investments	50	95	110

[1] During the financial year 2015-16, the Company transferred its interest in the joint venture entities namely Woco Motherson Elastomer Limited (1,139,333 equity shares) and Woco Motherson Advanced Rubber Technologies Limited (666,667 equity shares) to the joint venture partner at a consideration of ₹373 million and accordingly discontinued its joint venture with Woco Franz Josef Wolf Holding GmbH, Germany (joint venture partner).

[2] During the financial year 2016-17 Samvardhana Motherson Nippisun Technology Limited has been converted from joint venture to subsidiary

* Amount is below the rounding off norm adopted by the Company

(All amounts in ₹ Million, unless otherwise stated)

6 (b) Current investments

	March 31, 2017	March 31, 2016	April 01, 2015
Investment in equity instruments at FVOCI			
Quoted			
HDFC Bank Ltd.	3	2	2
2,035 (March 31, 2016 : 2,035, April 01, 2015: 2,035) equity shares of ₹2/- each fully paid up			
Balrampur Chini Mills Ltd *	0	0	0
1,200 (March 31, 2016 : 1,200, April 01, 2015: 1,200) equity shares of ₹1/- each fully paid up			
Jaysynth Dyestuff (India) Ltd *	0	0	0
100 (March 31, 2016 : 100, April 01, 2015: 100) equity shares of ₹10/- each fully paid up			
Meyer Apparel Limited (Formerly known as GIVO Ltd.) *	0	0	0
28,475 (March 31, 2016 : 28,475, April 01, 2015: 28,475) equity shares of ₹10/- each fully paid up			
Mahindra & Mahindra Ltd	5	4	4
3,644 (March 31, 2016 : 3,644, April 01, 2015: 3,644) equity shares of ₹5/- each fully paid up			
Arcotech Limited *	0	0	0
200 (March 31, 2016 : 200, April 01, 2015: 200) equity shares of ₹10/- each fully paid up			
Unquoted			
Pearl Engineering Polymers Ltd	-	-	-
3,160 (March 31, 2016 : 3,160, April 01, 2015: 3,160) equity shares of ₹10/- each fully paid up			
Daewoo Motors Limited	-	-	-
6,150 (March 31, 2016 : 6,150, April 01, 2015: 6,150) equity shares of ₹10/- each fully paid up			
Athena Financial Services Limited	-	-	-
66 (March 31, 2016 : 66, April 01, 2015: 66) equity shares of ₹10/- each fully paid up			
Inox Leasing & Finance Limited	-	-	-
100 (March 31, 2016 : 100, April 01, 2015: 100) equity shares of ₹10/- each fully paid up			
Total current investments	**8**	**6**	**6**
Aggregate amount of quoted investments and market value thereof	8	6	6
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-

*Amount is below the rounding off norm adopted by the Company

(All amounts in ₹ Million, unless otherwise stated)

7. Loans (Unsecured, considered good, unless otherwise stated)

	March 31, 2017		March 31, 2016		April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Loans to related parties (Refer note 38)						
Unsecured, considered good	10	-	102	-	25	92
Unsecured, considered doubtful	-	-	51	-	-	-
	10	**-**	**153**	**-**	**25**	**92**
Less: Provision for doubtful loans	-	-	51	-	-	-
	10	**-**	**102**	**-**	**25**	**92**
Loans to employees	85	38	63	45	52	32
Total	**95**	**38**	**165**	**45**	**77**	**124**

8. Trade receivables

	March 31, 2017	March 31, 2016	April 01, 2015
	Current	Current	Current
Unsecured, considered good [1]	8,115	5,921	4,577
Unsecured, considered Doubtful	62	47	36
	8,177	**5,968**	**4,613**
Less: Provision for doubtful receivables	62	47	36
Total	**8,115**	**5,921**	**4,577**
[1] Includes receivables from companies in which Director of the Company is also a Director	133	122	10

9. Other financial assets

	March 31, 2017	March 31, 2016	April 01, 2015
	Current	Current	Current
Security Deposits (Unsecured, considered good) [1]	605	558	165
Other advances receivable in cash	199	-	-
Unbilled Revenue	1,669	929	1,596
Foreign currency and interest rate swap	74	19	34
Others*	15	0	0
Total	**2,562**	**1,506**	**1,795**
[1] Includes security deposit given to a partnership firm namely M/S Motherson in which Director of the Company is Partner*	8	0	0

*Amount is below the rounding off norm adopted by the Company

10. Deferred tax assets (Net)

	March 31, 2017	March 31, 2016	April 01, 2015
Deferred tax assets			
Property, plant and equipments and intangible assets	224	157	22
Provision for employee benefits	213	159	137
Provision for doubtful debts and advances	21	34	12
Government grant	44	43	38
Investment property	70	46	40
Deferred tax liabilities			
Fair valuation of investment	(43)	(49)	(48)
Others	(1)	(1)	-
Total	**528**	**389**	**201**

Movement in Deferred tax assets

	Property, plant and equipments and intangible assets	Investment property	Provision for employee benefits	Provisions for doubtful debts and advances	Government grants	Other items	Total
At April 01, 2015	**22**	**40**	**137**	**12**	**38**	**(48)**	**201**
(Charged) / credited:							
to profit or loss	135	6	2	22	5	(1)	169
to other comprehensive income	-	-	20	-	-	(1)	19
At March 31, 2016	**157**	**46**	**159**	**34**	**43**	**(50)**	**389**
(Charged) / credited:							
to profit or loss	67	24	12	(13)	1	10	101
to other comprehensive income	-	-	42	-	-	(5)	37
to retained earnings	-	-	-	-	-	1	1
	224	**70**	**213**	**21**	**44**	**(44)**	**528**

Note:

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

2. In view of the Company's past financial performance and future profit projections, the Company expects that it shall generate sufficient future taxable income to fully recover the deferred tax assets.

11. Other non-current assets

(Unsecured, considered good, unless otherwise stated)

	March 31, 2017	March 31, 2016	April 01, 2015
Capital advances	613	312	339
Advances recoverable	5	2	-
Prepaid expenses	2	11	1
Balances with government authorities	41	56	39
Subsidy receivable	6	23	33
Total	**667**	**404**	**412**

12. Inventories

	March 31, 2017	March 31, 2016	April 01, 2015
Raw materials	4,492	4,161	3,029
Work-in-progress	1,055	934	939
Finished goods	1,358	1,313	1,096
Stores and spares	12	10	11
Total	**6,917**	**6,418**	**5,075**
Inventory include Inventory in transit of:			
Raw materials	1,046	1,124	613
Finished goods	216	310	231

Amount recognised in profit or loss:

During the year ended March 31, 2017 write-downs of inventories on account of provision in respect of obsolete / slow moving items amounted to ₹81 million (March 31, 2016: ₹7 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

(All amounts in ₹ Million, unless otherwise stated)

13.(a) Cash and cash equivalents *

	March 31, 2017	March 31, 2016	April 01, 2015
Balances with banks:			
- in current accounts	1,710	103	1,415
- Deposits with original maturity of less than three months	-	1	9
Cheques and drafts on hand	127	27	7
Cash on hand	17	11	10
Total	**1,854**	**142**	**1,441**

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods.

13.(b) Other bank balances

	March 31, 2017	March 31, 2016	April 01, 2015
Deposits with original maturity of more than three months but less than 12 months	11	2	5
Unpaid dividend account	25	41	15
Total	**36**	**43**	**20**

14. Other current assets

(Unsecured, considered good, unless otherwise stated)

	March 31, 2017	March 31, 2016	April 01, 2015
Advances recoverable [1]	636	483	916
Prepaid expenses	118	108	77
Balances with government authorities	1,122	855	870
Subsidy receivable	158	26	56
Total	**2,034**	**1,472**	**1,919**
[1] Includes advances to a private limited company in which Director of the Company is also a Director	-	2	4

15. Share Capital

	March 31, 2017	March 31, 2016	April 01, 2015
Authorised:			
2,873,000,000 (March 31, 2016 : 2,873,000,000, April 01, 2015: 2,873,000,000) Equity shares of ₹1/- each	2,873	2,873	2,873
25,000,000 (March 31, 2016 : 25,000,000, April 01, 2015: 25,000,000) 8% Convertible Cumulative Preference Shares of ₹10/- each	250	250	250
Issued:			
1,403,526,327 [1] (March 31, 2016 : 1,322,879,040 [1], April 01, 2015 : 881,919,360) Equity Shares of ₹1/- each	1,404	1,323	882
Subscribed and Paid up:			
1,403,526,327 [1] (March 31, 2016 : 1,322,879,040 [1], April 01, 2015 : 881,919,360) Equity Shares of ₹1/- each	1,404	1,323	882
Total	**1,404**	**1,323**	**882**

a. Movement in equity share capital

	Numbers	Amount
As at April 01, 2015	**881,919,360**	**882**
Add: Bonus shares issued by capitalisation of securities premium account	440,959,680	441
As at March 31, 2016	**1,322,879,040**	**1,323**
Add: Shares issued to Qualified Institutional Buyers (Refer Note (50))	62,884,827	63
Add: Shares issued to Sumitomo Wiring Systems Limited, Japan (Refer Note (50))	17,762,460	18
As at March 31, 2017	**1,403,526,327**	**1,404**

[1] During the year, the Company on September 12, 2016 and September 16, 2016, has made allotment of 17,762,460 equity shares and 62,884,827 equity shares of ₹1 each to Sumitomo Wiring Systems Japan and Qualified Institutional Buyers respectively at an issue price of ₹317 per equity share. During the previous year ended on March 31, 2016, the Company allotted 440,959,680 equity shares of ₹1/- each as bonus shares in proportion of one equity share for every two equity shares held.

b. Rights, preferences and restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2017)

	Aggregate No of Shares issued in five years	March 31, 2017	March 31, 2016	March31, 2015	March 31, 2014	March 31, 2013
Equity shares allotted as fully paid bonus shares by capitalization of Securities Premium Account and Capital Redemption Reserve	930,914,880	-	440,959,680	-	293,973,120	195,982,080

d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos.	%	Nos.	%	Nos.	%
Equity shares:						
Samvardhana Motherson International Limited	488,549,846	34.81%	488,549,846	36.93%	325,566,564	36.92%
Sumitomo Wiring Systems Limited	352,283,241	25.10%	334,520,781	25.29%	223,013,854	25.29%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(All amounts in ₹ Million, unless otherwise stated)

16 (a) Reserves and surplus

	March 31, 2017	March 31, 2016	April 01, 2015
Reserve on amalgamation	1,663	1,663	1,663
Securities premium reserve	27,981	2,785	3,226
General reserve	3,363	3,363	3,363
Retained earnings	23,467	15,238	15,049
Total reserves and surplus	**56,474**	**23,049**	**23,301**

(i) Reserve on amalgamation

	March 31, 2017	March 31, 2016
Opening balance	1,663	1,663
Additions during the year	-	-
Closing balance	**1,663**	**1,663**

(ii) Securities premium reserve

	March 31, 2017	March 31, 2016
Opening balance	2,785	3,226
Proceeds received on share issued to qualified institutional buyers and on preferential allotment (Refer note 50)	25,484	-
Transaction costs arising on share issues, net of tax	(288)	-
Utilisation during the year - Bonus issue	-	(441)
Closing balance	**27,981**	**2,785**

(iii) General reserve

	March 31, 2017	March 31, 2016
Opening balance	3,363	3,363
Additions during the year	-	-
Closing balance	**3,363**	**3,363**

(iv) Retained earnings

	March 31, 2017	March 31, 2016
Opening balance	15,238	15,049
Additions during the year	8,273	7,186
Remeasurements of post-employment benefit obligation, net of tax	(78)	(38)
Proposed dividend	-	(2,646)
Interim dividend	-	(3,307)
Tax on dividend	-	(1,006)
Transfer from other reserves	34	-
Closing balance	**23,467**	**15,238**

16 (b) Other reserves

	FVOCI equity investments
As at April 01, 2015	163
Change in fair value of FVOCI equity instruments	4
As at March 31, 2016	**167**
Change in fair value of FVOCI equity instruments	16
Transfer to retained earnings during the year	(34)
As at March 31, 2017	**149**

Reserve on amalgamation

This reserve was created at the time of amalgamation and mergers carried out in earlier years. The reserve is utilised in accordance with the provisions of the Act.

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

General reserve

General reserve is the retained earnings of a Company which are kept aside out of the Company's profits to meet future (known or unknown) obligations.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

17 (a) Long-term borrowings

	Non Current Portion			Current Maturities		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Secured [1]						
Term Loans						
Foreign currency loans from banks	5,709	1,866	2,751	1,341	1,051	778
Indian rupee loan from banks	5,750	-	-	-	-	-
Indian rupee loan from other than banks	33	47	-	14	13	-
Unsecured						
Term Loans						
Foreign currency loan from bank	-	-	415	-	439	412
Indian rupee loan from other than banks	51	26	-	-	-	-
Less : Disclosed under Other Current Liabilities (Refer Note 18)				**(1,355)**	**(1,503)**	**(1,190)**
TOTAL	**11,543**	**1,939**	**3,166**	**-**	-	-

(All amounts in ₹ Million, unless otherwise stated)

i) **Secured Loans**

Nature of Security (In case of Secured Loans)	Principal Terms & Conditions
Foreign Currency Loans from banks are secured by first pari passu charge on entire fixed assets, both movable & immovable, of the Company present and future and second pari passu charge on the entire current assets of the Company. These are also secured by way of deposit of title deeds of specified properties.	1) Nil (March 31, 2016: Nil, April 01, 2015 : ₹125 million) fully repaid during the financial year 2015-16 as per repayment schedule.
	2) Nil (March 31, 2016 : Nil, April 01, 2015 : ₹78 million) fully repaid during the financial year 2015-16 as per repayment schedule.
	3) Nil (March 31, 2016 : Nil, April 01, 2015 : ₹117 million) fully repaid during the financial year 2015-16 as per repayment schedule.
	4) ₹ 582 million (March 31, 2016 : ₹989 million, April 01, 2015 : ₹1,178 million) repayable in remaining 3 half yearly instalments till August 2018.
	5) ₹ 324 million (March 31, 2016 : ₹594 million, April 01, 2015 : ₹684 million) repayable in remaining 2 half yearly instalments till February 2018.
	6) ₹ 48 million (March 31, 2016 : ₹149 million, April 01, 2015 : ₹234 million) repayable in remaining 1 half yearly instalments till August 2017.
	7) ₹ 872 million (March 31, 2016 : ₹1,185 million, April 01, 2015 : ₹1,113 million) repayable in remaining 3 half yearly instalments till September 2018.
Foreign currency loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSL GB Ltd on pari passu basis	₹ 5,224 million (March 31, 2016 : ₹Nil, April 01, 2015 : ₹Nil) repayable in March 2022 entirely in one instalment.
	The applicable rate of interest in respect of foreign currency loans from banks is within a range of 1.0"% p.a. to 3.0% p.a. (March 31, 2016 : 0.4% p.a. to 2.0% p.a, April 01, 2015: 0.4% p.a. to 2.5% p.a.) over 3 to 6 months US $ Libor and 8.05% p.a. to 9.30% p.a. (March 31, 2016 : 7.5% p.a. to 9.3% p.a, April 01, 2015 : 7.5% p.a. to 9.3% p.a) in respect of loans hedged for swap contracts.
Indian Rupee loan from banks is secured by creating a charge on Investment in shares of one of the subsidiary, MSSL GB Ltd on pari passu basis	₹ 5,750 million (March 31, 2016 : ₹Nil, April 01, 2015 : ₹Nil) repayable in March 2022 entirely in one instalment carrying Interest rate of 8.0"% p.a.
Indian Rupee loan from other than banks for the purchase of investment property and is secured by the capital advance given for the purchase of investment property.	₹ 47 million (March 31, 2016 : ₹60 million, April 01, 2015 : Nil) repayable in remaining 37 monthly instalments till March 2020 carrying Interest rate of 9.85"% p.a.

ii) **Unsecured Loans**

Particulars	Terms of Repayment
The Company has given a negative lien on the assets purchased out of the said facility (Foreign Currency Loan)	1) Nil (March 31, 2016 : ₹439 million, April 01, 2015 ₹827 million) fully repaid during the current year as per repayment schedule, carrying interest rate of 6 month US $ Libor + 200 bps.
Indian Rupee Loan from other than banks	Interest free loan of ₹51 million (March 31, 2016 : ₹26 million, April 01, 2015: Nil) repayable in November 2022 entirely in one instalment, against which the bank guarantee is furnished by the Company.

[1] The carrying amount of financials and non financial assets pledged as security for long term borrowings is disclosed in Note 40

(All amounts in ₹ Million, unless otherwise stated)

17 (b) Current borrowings

	March 31, 2017	March 31, 2016	April 01, 2015
Secured [3, 4]			
Working capital loans repayable on demand- from banks [1]			
Indian rupee loan	37	210	201
Other short-term loans -from banks [2]			
Indian rupee loan	-	600	-
Foreign currency loan	-	-	746
Unsecured [4]			
Loans from banks			
Indian rupee loan	-	600	-
TOTAL	**37**	**1,410**	**947**

[1] Working capital loans are secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties and are repayable on demand.

[2] Other Short Term loans from banks are secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.

[3] The carrying amount of financials and non financial assets pledged as security for short term borrowings is disclosed in Note 40

[4] Short term borrowings carry interest rate ranging from 9% to 12% p.a.

18. Other financial liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Non-current			
Retention money	57	35	11
Security deposit received	55	56	66
Advance recovery from employees	82	100	58
	194	**191**	**135**
Current			
Current maturities of long term debt (Refer Note 17(a))	1,355	1,503	1,190
Interest accrued but not due on borrowings	18	14	25
Unpaid dividends [1]	25	41	15
Security deposit received	2	3	4
Employee benefits payable	942	770	538
Advance recovery from employees	71	23	43
Total	**2,413**	**2,354**	**1,815**

[1] There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

19. Trade payables

	March 31, 2017	March 31, 2016	April 01, 2015
Total outstanding dues of micro, small and medium enterprises (Refer Note 45) and	113	49	25
Total outstanding dues of creditors other than micro, small and medium enterprises	7,694	5,673	4,830
Total	**7,807**	**5,722**	**4,855**

20. Provisions

	March 31, 2017 Current	March 31, 2016 Current	April 01, 2015 Current
For warranties	14	11	4
For litigations / disputes	6	6	13
For wealth tax	-	-	2
Total	**20**	**17**	**19**

Warranty

1. Provision for warranty relates to the estimated outflow in respect of warranty for products sold by the Company. Due to the very nature of such costs, it is not possible to estimate the timing/ uncertainties relating to the outflows of economic benefits.

Litigations

2. Provision for litigation relates to excise, entry tax and octroi demands including interest thereon, where applicable, being contested by the Company. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings.

The Company has following provisions in the books of account as at year end:

	Warranty		Litigations	
	2016-17	2015-16	2016-17	2015-16
Opening Balance	**11**	**4**	**6**	**13**
Additions during the year	3	7	-	-
Utilised / Reversed during the year	-	-	-	(7)
Closing Balance	**14**	**11**	**6**	**6**

21. Employee benefit obligations

	March 31, 2017		March 31, 2016		April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity	196	22	121	18	106	47
Compensated absences	92	332	80	268	51	227
Total	**288**	**354**	**201**	**286**	**157**	**274**

The long term defined employee benefits and contribution schemes of the Company are as under:

A. Defined Benefit Schemes

Gratuity

The Company operates a gratuity plan administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. Every employee is entitled to a benefit equivalent to fifteen days' salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company pays contribution to Life Insurance Corporation of India to fund its plan.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation

	For the year ended	
	March 31, 2017	**March 31, 2016**
Obligations at year beginning	789	613
Service Cost - Current	78	69
Interest expense	61	48
Amount recognised in profit or loss	**139**	**117**
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption *	-	(0)
Actuarial (gain) / loss from change in financial assumption	64	(2)
Experience (gains)/losses	53	58
Amount recognised in other comprehensive income	**117**	**56**
Payment from plan:		
Benefit payments	(19)	(11)
Addition due to transfer of employee	-	14
Obligations at year end	**1,026**	**789**

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2017	**March 31, 2016**
Plan assets at year beginning, at fair value	650	460
Interest income	55	42
Amount recognised in profit or loss	**55**	**42**
Remeasurements		
Return on plan assets, excluding amount included in interest income	(3)	(2)
Amount recognised in other comprehensive income	**(3)**	**(2)**
Payment from plan:		
Benefit payments	(20)	(11)
Contributions:		
Employers	126	147
Addition due to transfer of employee	-	14
Plan assets at year end, at fair value	**808**	**650**

*Amount is below the rounding off norm adopted by the Company

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2017	March 31, 2016
Present Value of the defined benefit obligations	1,026	789
Fair value of the plan assets	808	650
Amount recognized as Liability	**218**	**139**

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2017	March 31, 2016
Service Cost - Current	78	69
Interest Cost	61	48
Expected return on plan assets	(55)	(42)
Actuarial (gain) / loss	120	58
Net defined benefit obligations cost	**204**	**133**

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2017	March 31, 2016
LIC of India	100%	100%
Total	**100%**	**100%**

Note: In respect of Employees Gratuity Fund, composition of plan assets is not readily available from LIC of India. The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

(vi) Actuarial assumptions:

	March 31, 2017	March 31, 2016
Discount Rate per annum	7.1%	7.8%
Future salary increases	8.0%	8.0%

Note: Estimate of future increases considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market'

(vii) Amount recognized in current year and previous four years:

	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Defined benefit obligations	1,026	789	613	421	367
Plan assets	(808)	(650)	(460)	(367)	(274)
Deficit /(Surplus)	**218**	**139**	**153**	**54**	**93**

(viii) Expected Contribution to the Fund in the next year

	For the year ended	
	March 31, 2017	March 31, 2016
Gratuity	139	156

ix) Sensitivity Analysis

The senstivity of defined benefit obligation to changes in the weighted principal assumptions is :

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	March 31, 2017	March 31, 2016		March 31, 2017	March 31, 2016		March 31, 2017	March 31, 2016
Discount Rate per annum	0.50%	0.50%	Decrease by	(46)	(35)	Increase by	50	38
Future salary increases	1.0%	1.0%	Increase by	104	80	Decrease by	(92)	(70)

The above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet

x) Risk exposure

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability, voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be:

(a) Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase.

(b) Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

(c) Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria . It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to long career employee.

xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 9 years (March 31, 2016: 9 years, April 01, 2015: 12 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2017	56	64	276	751	**1,147**
Defined benefit obligation (gratuity)					
March 31, 2016	20	57	245	846	**1,168**
Defined benefit obligation (gratuity)					
April 01, 2015	11	20	207	941	**1,179**
Defined benefit obligation (gratuity)					

B. Defined Contribution Schemes

The Company deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund, Employee State Insurance (ESI) and Social Insurance for the benefit of the employees.

Amount recognised in the Statement of Profit & Loss is as follows (Refer note 29):

	For the year ended	
	March 31, 2017	March 31, 2016
Provident fund paid to the authorities	331	279
Employee state insurance paid to the authorities	66	57
Contribution to other funds (Employee welfare etc.)	3	2
	400	**338**

22. Government grants

	March 31, 2017	March 31, 2016
Opening balance	124	112
Add: Grants received during the year	19	25
Less: Released to profit or loss (Refer note 25)	(17)	(13)
Closing balance	**126**	**124**

	March 31, 2017	March 31, 2016	April 01, 2015
Current portion	15	14	11
Non-current portion	111	110	101
Total	**126**	**124**	**112**

23 Income tax liability (Net)

	March 31, 2017	March 31, 2016
Opening balance	425	743
Add: Current tax payable for the year	3,789	2,901
Less: Advance tax paid	(3,544)	(2,833)
Less: Adjustments for current tax of prior periods	(233)	(386)
	437	**425**

24 Other current liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Statutory dues including provident fund and tax deducted at source	580	410	355
Advances received from customers	954	1,322	1,271
	1,534	**1,732**	**1,626**

(All amounts in ₹ Million, unless otherwise stated)

25. Revenue from operations

	For the year ended	
	March 31, 2017	March 31, 2016
Sales of products (including excise duty)		
Finished goods		
Within India	58,388	46,393
Outside India	8,018	7,844
Traded goods	2,166	3,308
Total Gross Sales	**68,572**	**57,545**
Other operating revenue:		
Sales of services	729	600
Scrap sales	171	166
Job work income	24	19
Recovery from customers	281	-
	1,205	**785**
Other operating income:		
Export Incentives	154	101
Liabilities written back to the extent no longer required	56	28
Profit on sale of tangible assets (net)	13	41
Exchange fluctuation (net)	349	101
Interest income from financial assets at amortised cost	182	68
Government Grants & Subsidies	17	13
Miscellaneous income	84	137
	855	**489**
Total	**70,632**	**58,819**

26. Other income

	For the year ended	
	March 31, 2017	March 31, 2016
Dividend Income		
- From subsidiaries	-	858
- From joint ventures	172	258
- From equity investments designated at fair value through OCI*	0	6
Rent	73	81
Provision for diminution in investment written back	45	60
Profit on sale of investments	779	445
Total	**1,069**	**1,708**

*Amount is below the rounding off norm adopted by the Company

27. Cost of materials consumed

	For the year ended	
	March 31, 2017	March 31, 2016
Opening stock of raw materials	3,037	2,416
Add : Purchases of raw materials	31,587	27,181
Less: Closing stock of raw materials	3,446	3,037
Total	**31,178**	**26,560**

28. Changes in inventory of finished goods, work in progress and stock in trade

	For the year ended	
	March 31, 2017	March 31, 2016
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	1,313	1,096
Work-in-progress	934	939
Total A	**2,247**	**2,035**
Stock at the end of the year:		
Finished goods	1,358	1,313
Work-in-progress	1,055	934
Total B	**2,413**	**2,247**
(Increase)/ decrease in stocks (A-B)	**(166)**	**(212)**

29. Employee benefit expenses

	For the year ended	
	March 31, 2017	March 31, 2016
Salary , wages & bonus	7,177	5,937
Contribution to provident & other Fund	400	338
Gratuity (Refer note 21)	84	75
Staff welfare expenses	899	783
Total	**8,560**	**7,133**

30. Other expenses

	For the year ended	
	March 31, 2017	March 31, 2016
Electricity, water and fuel	1,254	1,162
Repairs and maintenance:		
Machinery	562	512
Building	478	274
Others	351	227
Consumption of stores and spare parts [1]	625	521
Conversion charges	224	218
Excise duty expenses [2]	25	14
Lease rent (operating leases) (Refer note 42)	600	504
Rates & taxes	116	44
Insurance	108	89
Donation	18	15
Travelling	636	459
Freight & forwarding	919	895
Royalty	326	263
Commission	46	34
Provision for diminution in value of investments	-	45
Bad debts/advances written off	22	2
Provision for doubtful debts/advances	2	60
Legal & professional expenses (Refer note (a) below)	1,089	811

(All amounts in ₹ Million, unless otherwise stated)

	For the year ended	
	March 31, 2017	March 31, 2016
Expenditure towards corporate social responsibility (CSR) activities (Refer note (b) below)	14	23
Miscellaneous expenses	898	784
Total	**8,313**	**6,956**

[1] Excludes stores and spares consumed amounting to ₹482 million (March 31,2016 : ₹488 million) which is charged to repair and maintenance machinery.

[2] Represents excise duty related to the differences between the closing stock and the opening stock.

(a) Payment to auditors:

	For the year ended	
	March 31, 2017	March 31, 2016
As Auditor:		
Audit fees (including limited review)	40	37
Other Audit and certification work to be done by statutory auditor	49	4
Reimbursement of expenses	5	5
Total	**94**	**46**

(b) Corporate social responsibility expenditure

	For the year ended	
	March 31, 2017	March 31, 2016
(i) Contribution to Swarn Lata Motherson Trust	10	-
(ii) Contribution for the promotion of Education & other Initiatives	2	21
(iii) Contribution towards welfare of the society	1	2
(iv) Adminstrative Cost for Reviewing CSR Structure	1	-
	14	**23**
Amount required to be spent as per Section 135 of the Act	154	136
Amount spent during the year on:		
(i) Construction/acquisition of asset	-	-
(ii) Purpose other than (i) above	14	23
	14	**23**

31. Finance Cost

	For the year ended	
	March 31, 2017	March 31, 2016
Interest and finance charges on financial liabilities not at fair value through profit or loss	130	122
Exchange differences regarded as an adjustment to borrowing costs [1]	(92)	256
Other borrowing costs	86	96
Total	**124**	**474**

[1] Includes foreign exchange gain/(loss) on long term loan facilities of ₹37 million (March 31, 2016 : ₹(241) million) and Mark to Market gain/(loss) on derivatives of ₹55 million (March 31,2016: ₹(15) million)

(All amounts in ₹ Million, unless otherwise stated)

32. Depreciation and amortization Expense

	For the year ended	
	March 31, 2017	March 31, 2016
Depreciation on Property, plant and equipment	1,968	2,010
Amortization on Intangible assets	5	3
Depreciation on Investment Properties	11	2
Less: Capitalised during the year [1]	(7)	(7)
Total	**1,977**	**2,008**

[1]Includes depreciation of ₹7 million (March 31, 2016 : ₹7 million) capitalised during the year on assets used for creation of self generated assets (Refer note 3).

33. Income tax expense

(a) Income tax expense

	For the year ended	
	March 31, 2017	March 31, 2016
Current tax		
Current tax on profit for the year	3,789	2,901
Adjustments for current tax of prior periods on completion of assessment	(233)	(386)
Total current tax expense	**3,556**	**2,515**
Deferred tax (Refer note 10)		
Decrease / (increase) in deferred tax assets (net)	(101)	(169)
Total deferred tax expense / (benefit)	**(101)**	**(169)**
Income tax expense	**3,455**	**2,346**
Income tax expense is attributable to:		
Profit from continuing operations	3,455	2,346
	3,455	**2,346**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended	
	March 31, 2017	March 31, 2016
Profit from continuing operations before income tax expense	11,728	9,532
Tax at India's tax rate of 34.608%	4,059	3,299
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	(185)	(503)
Other tax allowances	(66)	(39)
Tax on foreign dividend	-	149
Difference in tax rates for incomes taxed under capital gain	9	(71)
Weighted deduction for expenditure incurred on research and development	(57)	(58)
Adjustments for current tax of prior periods	(233)	(386)
Other adjustments	(72)	(45)
Income tax expense	**3,455**	**2,346**

34. Earnings per share

a) Basic

	March 31, 2017	March 31, 2016
Net profit after tax	8,273	7,186
Equity shares outstanding at the beginning of the year	1,322,879,040	881,919,360
Add: Bonus shares issued by capitalisation of securities premium during the year	-	440,959,680
Add: Number of shares issued during the year	43,722,097	-
Weighted average number of equity shares used to compute basic earnings per share	1,366,601,137	1,322,879,040
Basic earnings (in Rupees) per Share of ₹1/- each. (March 31, 2016 : ₹1/- each)	6.05	5.43

b) Diluted (Refer note (i) below)

	March 31, 2017	March 31, 2016
Net profit after tax available for equity Shareholders	8,273	7,186
Weighted average number of Equity Shares of ₹1 each (March 31, 2016 : ₹1 each)	1,366,601,137	1,322,879,040
Diluted Earnings (in Rupees) per share of ₹1 each. (March 31, 2016 : ₹1 each)	6.05	5.43

(i) The Company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

35. Fair value measurements

Financial instruments by category

	March 31, 2017			March 31, 2016			April 01, 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets									
Investments	-	215	-	-	237	-	-	246	-
Trade receivables*	-	-	8,115	-	-	5,921	-	-	4,577
Loans*	-	-	133	-	-	210	-	-	201
Cash and cash equivalents*	-	-	1,890	-	-	185	-	-	1,461
Derivative financial assets	74	-	-	19	-	-	34	-	-
Other financial assets*	-	-	2,488	-	-	1,487	-		1,761
Total financial assets	**74**	**215**	**12,626**	**19**	**237**	**7,803**	**34**	**246**	**8,000**
Financial Liabilities									
Borrowings	-	-	12,935	-	-	4,852	-	-	5,303
Trade payable *	-	-	7,807	-	-	5,722	-	-	4,855
Other financial liabilities *	-	-	1,252	-	-	1,042	-	-	760
Total financial liabilities	**-**	**-**	**21,994**	**-**	**-**	**11,616**	**-**	**-**	**10,918**

i. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2017

	Level 1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	8	-	-	**8**
Unquoted equity investments	-	-	207	**207**
Derivatives not designated as hedges				
Foreign currency & interest rate swaps	-	74	-	**74**
Total	**8**	**74**	**207**	**289**
Financial liabilities				
Borrowings	-	-	12,935	**12,935**
Other financial liabilities	-	-	194	**194**
Total financial liabilities	**-**	**-**	**13,129**	**13,129**

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2016

	Level 1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	6	-	-	**6**
Unquoted equity investments	-	-	231	**231**
Derivatives not designated as hedges				
Foreign currency & interest rate swaps	-	19	-	**19**
Total	**6**	**19**	**231**	**256**
Financial liabilities				
Borrowings	-	-	4,852	**4,852**
Other financial liabilities	-	-	191	**191**
Total financial liabilities	**-**	**-**	**5,043**	**5,043**

Financial assets and liabilities measured at fair value - recurring fair value measurements as at April 01, 2015

	Level 1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	6	-	-	**6**
Unquoted equity investments	-	-	240	**240**
Derivatives not designated as hedges				
Foreign currency & interest rate swaps	-	34	-	**34**
Total	**6**	**34**	**240**	**280**
Financial liabilities				
Borrowings	-	-	5,303	**5,303**
Other financial liabilities	-	-	135	**135**
Total financial liabilities	**-**	**-**	**5,438**	**5,438**

*The carrying amounts of trade receivables, loan receivable, cash and cash equivalents and trade payables are considered to be the same as their face values.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities included in level 3.

ii. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

a. the use of quoted market prices or dealer quotes for similar instruments.

b. the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date.

c. the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

d. the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

iii. Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the periods ended March 31, 2017 and March 31, 2016:

	Unquoted equity instruments
As at April 01, 2015	**240**
Disposals during the year	(13)
Gains/(losses) recognised in other comprehensive income	4
As at March 31, 2016	**231**
Additions during the year	2
Disposals during the year	(46)
Gains/(losses) recognised in other comprehensive income	20
As at March 31, 2017	**207**

iv. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

	Fair Value as at		
	March 31, 2017	March 31, 2016	April 01, 2015
Unquoted equity instruments	207	231	240
Significant unobservable inputs[1]			
Earnings growth rate	3%	3%-5%	3%-5%
Risk adjusted discount rate	15%	13%-15%	13%-15%
Sensitivity			
Impact of change in risk adjusted discount rate [2]			
Decrease in discount rate by 0.50%	10	12	12
Increase in discount rate by 0.50%	(9)	(11)	(10)
Impact of change in earnings growth rate [2]			
Decrease in growth rate by 0.50%	(6)	(7)	(7)
Increase in growth rate by 0.50%	7	8	8

[1] There were no significant inter-relationships between unobservable inputs that materially affect fair values

[2] Holding all the other variables constant

(All amounts in ₹ Million, unless otherwise stated)

v. **Fair value of non current financial assets and liabilities measured at amortised cost**

	March 31, 2017		March 31, 2016		April 01, 2015	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Loan to related party [1]	-	-	-	-	92	92
Loan to employees [1]	38	38	45	45	32	32
	38	**38**	**45**	**45**	**124**	**124**
Financial liabilities						
Borrowings [2]	11,543	11,543	1,939	1,939	3,166	3,166
Other financial liabilities [1]	194	194	191	191	135	135
	11,737	**11,737**	**2,130**	**2,130**	**3,301**	**3,301**

[1] The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

[2] During the year ended March 31, 2017 loan amounting to ₹10,975 million was taken at current market rates. Loan amounting to ₹568 million as at March 31, 2017 (March 31, 2016: ₹1,939 Million. April 01, 2015: ₹3,166 million) carries floating rate of interest and hence are adjusted to current market rates.

36. Financial risk management

The Company, as an internationally active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The Company's global presence and decentralised management structure with the main activities in the plants make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risks in which the Company is exposed to and how it manages the risks:

Market risk:

A Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the Company in its various products segment. Substantial pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the Company. The Group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the Company's wiring harness business is copper. There is substantial fluctuations in prices of copper. The Company has arrangements with its major customers for passing on the price impact. Also, the Company has entered into forward contracts to hedge copper prices at the behest of the customers.

The major raw materials used by Polymer Division of the Company are polypropylenes, polycarbonates and various grades of nylons and resins. The Company is having arrangement with major customers for actualization of raw material price variations periodically. Motherson Polymer Solutions, compounding unit has been established with a view of taking leverage on group's bulk consumption on major grades. The setting up of GSP further strengthens the procurement function.

The Company is regularly taking initiatives like VA-VE (value addition, value engineering) to reduce its raw material costs to meet targets set up by its customers for cost downs. In respect of customer nominated parts , the Company has back to back arrangements for cost savings with its suppliers.

B Foreign currency risk:

The exchange variations in India has mainly impacted the imports, but however the Company has arrangements with its major domestic customers for passing on the exchange impact on import purchase and has considerably increased its export sales during last few years to attain natural hedge. The Company also does selective hedging to hedge its risks associated with foreign currency.

The derivative instruments and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
Hedge of external commercial borrowings and long term loans (Buy)*	USD : INR	USD 0; INR 32	USD 2; INR 80	USD 3; INR 163
Cross currency swap	USD : Euro	USD 80; Euro 74	-	-
	INR : Euro	INR 5,750; Euro 81	-	-

(ii) Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

	As at March 31, 2017 Payable / (Receivable)		As at March 31, 2016 Payable / (Receivable)		As at April 01, 2015 Payable / (Receivable)	
	Amount in Foreign currency	Amount in ₹	Amount in Foreign currency	Amount in ₹	Amount in Foreign currency	Amount in ₹
AUD*	(0)	(17)	(1)	(48)	(1)	(49)
ZAR*	-	-	(0)	(1)	(0)	(1)
CHF*	0	3	0	6	0	1
EUR	2	156	(2)	(115)	(3)	(204)
GBP*	0	7	0	2	(0)	(19)
JPY	1,788	1,046	1,890	1,117	1,030	540
SGD*	0	6	0	3	0	4
THB	21	40	21	40	8	15
USD	114	7,436	51	3,370	87	5,428

(iii) Mark to market losses / (gain) on foreign currency borrowings:

	For the year ended March 31, 2017	For the year ended March 31, 2016
Mark to Market losses/(gain) accounted for	(55)	15

*Amount is below the rounding off norm adopted by the Company

C. Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which exposes the Company to cash flow interest rate risk. During March 31, 2017 and March 31, 2016, the Company's borrowings at variable rate were mainly denominated in INR and USD.

(i) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2017	March 31, 2016	April 01, 2015
Variable rate borrowings	7,134	3,626	4,557
Fixed rate borrowings	5,750	1,200	746
Total borrowings	**12,884**	**4,826**	**5,303**

An analysis by maturities is provided in Note (E (ii)) Maturities of financial liabilities below.

(ii) Sensitivity analysis

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

	Impact on profit after tax	
	March 31, 2017	March 31, 2016
Interest rates-increase by 50 basis points*	(23)	(11)
Interest rates-decrease by 50 basis points*	23	11

* Holding all other variables constant

D Credit risk:

The credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Company and arises principally from the Company's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Company has developed guidelines for the management of credit risk from trade receivables. The Company's primary customers are major Indian automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Company has deposited liquid funds at various banking institutions. Primary banking institutions are major Indian and foreign banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

E Liquidity risk:

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating divisions of the Company and aggregated by Company finance. The Company's finance monitors rolling forecasts of the Company's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

	March 31, 2017	March 31, 2016	April 01, 2015
Floating rate			
- Expiring within one year (cash credit and other facilities)	7,714	4,590	5,053

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities:

	Upto 1 year	1 to 5 years	More than 5 years	Total
Year Ended March 31, 2017				
Non-derivatives				
Borrowings	1,480	11,749	91	**13,320**
Trade payables	7,807	-	-	**7,807**
Other financial liabilities	1,058	194	-	**1,252**
Total non-derivative liabilities	**10,345**	**11,943**	**91**	**22,379**
Year Ended March 31, 2016				
Non-derivatives				
Borrowings	2,965	1,946	52	**4,963**
Trade payables	5,722	-	-	**5,722**
Other financial liabilities	851	191	-	**1,042**
Total non-derivative liabilities	**9,538**	**2,137**	**52**	**11,727**
Year Ended April 01, 2015				
Non-derivatives				
Borrowings	2,201	3,238	-	**5,439**
Trade payables	4,855	-	-	**4,855**
Other financial liabilities	625	135	-	**760**
Total non-derivative liabilities	**7,681**	**3,373**	**-**	**11,054**

37. Capital management

(a) Risk management

The Company's objectives when managing capital is to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors NET Debt to EBITDA ratio i.e. Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs).

The Company's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

	March 31, 2017	March 31, 2016
Net Debt	11,070	4,708
EBITDA	13,829	12,014
Net Debt to EBITDA	0.80	0.39

(b) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with certain financial covenants and the Company has complied with those covenants throughout the reporting period.

(c) Dividends

	March 31, 2017	March 31, 2016
On Equity shares of ₹1 each		
Final dividend		
Amount of dividend paid	-	2,646
Dividend per equity share	-	₹3.00 per share
Interim Dividend		
Amount of dividend paid	-	3,307
Dividend per equity share	-	₹2.50 per share

38. Related Party Disclosures

I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

a. Entities with joint control over the entity/(Promoters)

Name		Ownership interest			
		Place of incorporation	March 31, 2017	March 31, 2016	April 01, 2015
1	Samvardhana Motherson International Limited	India	34.81%	36.93%	36.92%
2	Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.29%	25.29%

Relationship where control exists

b. Subsidiaries of the Company

1 MSSL Mauritius Holdings Limited
2 Motherson Electrical Wires Lanka Pvt. Ltd.
3 MSSL Mideast (FZE)
4 MSSL (S) Pte Ltd.
5 MSSL Automobile Component Ltd.
6 Samvardhana Motherson Polymers Ltd.
7 MSSL GB Limited
8 Motherson Wiring System (FZE)
9 MSSL GmbH
10 MSSL Tooling (FZE)
11 Samvardhana Motherson Invest Deutschland GmbH
12 MSSL Advanced Polymers s.r.o.
13 Motherson Orca Precision Technology GmbH
14 MSSL s.r.l. Unipersonale
15 Samvardhana Motherson Polymers Management Germany GmbH
16 Motherson Techno Precision Mexico S.A. De C.V.
17 MSSL Manufacturing Hungary kft.
18 MSSL Australia Pty Ltd.
19 Motherson Elastomers Pty. Ltd.
20 Motherson Investment Pty. Ltd.
21 MSSL Ireland Private Ltd.
22 MSSL Global RSA Module Engineering Ltd.
23 MSSL Japan Limited
24 Vacuform 2000 (Pty) Ltd.
25 MSSL México, S.A. De C.V.
26 MSSL WH System (Thailand) Co., Ltd.

27 MSSL Korea WH Limited
28 MSSL Consolidated Inc.
29 MSSL Overseas Wiring System Ltd.
30 MSSL Wiring System Inc.
31 Alphabet de Mexico, S.A. de C.V.
32 Alphabet de Mexico de Monclova, S.A. de C.V.
33 Alphabet de Saltillo, S.A. de C.V.
34 MSSL Wirings Juarez, S.A. de C.V.
35 Samvardhana Motherson Global Holdings Limited
36 Samvardhana Motherson Automotive Systems Group B.V.
37 Samvardhana Motherson Reflectec Group Holdings Ltd.
38 SMR Automotive Technology Holding Cyprus Ltd.
39 SMR Automotive Mirror Parts and Holdings UK Ltd.
40 SMR Automotive Holding Hong Kong Ltd
41 SMR Automotive Systems India Ltd.
42 SMR Automotive Systems France S.A.
43 SMR Automotive Mirror Technology Holding Hungary Kft
44 SMR Patents S.aR.L.
45 SMR Automotive Technology Valencia S.A.U.
46 SMR Automotive Mirrors UK Ltd.
47 SMR Automotive Mirror Services UK Ltd.
48 SMR Automotive Mirror International USA Inc.
49 SMR Automotive Systems USA Inc.
50 SMR Automotive Beijing Co. Ltd.
51 SMR Automotive Yancheng Co. Ltd.
52 SMR Automotive Mirror Systems Holding Deutschland GmbH
53 SMR Holding Australia Pty Ltd.
54 SMR Automotive Australia Pty. Ltd.
55 SMR Automotive Mirror Technology Hungary Bt
56 SMR Automotive Modules Korea Ltd. (formerly known as SMR Poong Jeong Automotive Mirrors Korea Ltd.)
57 SMR Automotive Beteiligungen Deutschland GmbH
58 SMR Hyosang Automotive Ltd.
59 SMR Automotive Mirrors Stuttgart GmbH
60 SMR Automotive Systems Spain S.A.U.
61 SMR Automotive Vision Systems Mexico S.A. de C.V.
62 SMR Automotive Servicios Mexico S.A. de C.V.
63 SMR Grundbesitz GmbH & Co. KG
64 SMR Automotive Brasil LTDA
65 SMR Automotive System (Thailand) Ltd.
66 SMR Automotives Systems Macedonia Dooel Skopje
67 SMR Automotive Operations Japan K.K.
68 SMR Automotive (Langfang) Co. LTD
69 SMR Automotive Vision System Operations USA INC
70 SMR Mirror UK Limited
71 Samvardhana Motherson Peguform GmbH
72 SMP Automotive Interiors (Beijing) Co. Ltd.
73 SMP Deutschland GmbH

74	SMP Logistik Service GmbH (previously known as SMP Automotive Solutions Personalleasings GmbH)
75	SMP Automotive Solutions Slovakia s.r.o.
76	Changchun Peguform Automotive Plastics Technology Co., Ltd.
77	Foshan Peguform Automotive Plastics Technology Co., Ltd.
78	SMP Automotive Technology Management Services (Changchun) Co. Ltd.
79	SMP Automotive Technology Iberica S.L.
80	Samvardhana Motherson Peguform Barcelona S.L.U
81	SMP Automotive Technologies Teruel Sociedad Limitada
82	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.
83	SMP Automotive Systems Mexico S.A. de C.V.
84	SMP Automotive Produtos Automotivos do Brasil Ltda.
85	SMP Automotive Exterior GmbH
86	Samvardhana Motherson Innovative Autosystems BV & Co. KG
87	Samvardhana Motherson Innovative Autosystems Holding Company BV
88	SM Real Estate GmbH
89	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.
90	SMP Automotive Systems Alabama Inc.
91	Motherson Innovations Company Limited
92	Motherson Innovations Deutschland GmbH
93	Samvardhana Motherson Global (FZE)
94	SMR Automotive Industries RUS Limited Liability Company (incorporated on 03.10.2016)
95	Celulosa Fabril S.A. (Zaragoza, ES)
96	Modulos Rivera Alta S.L.U.
97	Motherson Innovations Lights GmbH & Co KG (formerly Kobek Siebdruck GmbH & Co. KG – acquired on 02.01.2017)
98	Motherson Innovations Lights Verwaltungs GmbH (formerly Kobek Verwaltungs GmbH – acquired on 02.01.2017)
99	MSSL Estonia WH OÜ (incorporated on 30.01.2017)
100	PKC Group Plc (Acquired on 27.03.2017)
101	PKC Wiring Systems Oy (Acquired on. 27.03.2017)
102	PKC Netherlands Holding B.V. (Acquired on. 27.03.2017)
103	PKC Group Poland Sp. z o.o. (Acquired on. 27.03.2017)
104	PKC Wiring Systems Llc (Acquired on. 27.03.2017)
105	PKC Group APAC Limited (Acquired on. 27.03.2017)
106	PKC Group Canada Inc. (Acquired on. 27.03.2017)
107	PKC Group USA Inc. (Acquired on. 27.03.2017)
108	PKC Group Mexico S.A. de C.V. (Acquired on. 27.03.2017)
109	Project del Holding S.a.r.l. (Acquired on. 27.03.2017)
110	PK Cables do Brasil Ltda (Acquired on. 27.03.2017)
111	PKC Eesti AS (Acquired on. 27.03.2017)
112	TKV-sarjat Oy (Acquired on. 27.03.2017)
113	PKC SEGU Systemelektrik GmbH (Acquired on. 27.03.2017)
114	PK Cables Nederland B.V. (Acquired on. 27.03.2017)
115	Groclin Luxembourg S.à r.l. (Acquired on. 27.03.2017)
116	PKC Vehicle Technology (Suzhou) Co., Ltd. (Acquired on. 27.03.2017)
117	AEES Inc. (Acquired on. 27.03.2017)
118	PKC Group Lithuania UAB (Acquired on. 27.03.2017)
119	PKC Group Poland Holding Sp. z o.o. (Acquired on. 27.03.2017)

120 OOO AEK (Acquired on. 27.03.2017)
121 Kabel-Technik-Polska Sp. z o.o. (Acquired on. 27.03.2017)
122 AEES Power Systems Limited partnership (Acquired on. 27.03.2017)
123 T.I.C.S. Corporation (Acquired on. 27.03.2017)
124 Fortitude Industries Inc. (Acquired on. 27.03.2017)
125 AEES Manufactuera, S. De R.L de C.V. (Acquired on. 27.03.2017)
126 Cableodos del Norte II, S. de R.L de C.V. (Acquired on. 27.03.2017)
127 Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V. (Acquired on. 27.03.2017)
128 Arneses y Accesorios de México, S. de R.L de C.V. (Acquired on. 27.03.2017)
129 Asesoria Mexicana Empresarial, S. de R.L de C.V. (Acquired on. 27.03.2017)
130 Arneses de Ciudad Juarez, S. de R.L de C.V. (Acquired on. 27.03.2017)
131 PKC Group de Piedras Negras, S. de R.L. de C.V. (Acquired on. 27.03.2017)
132 PKC Group AEES Commercial S. de R.L de C.V (Acquired on. 27.03.2017)
133 Jiangsu Huakai-PKC Wire Harness Co., Ltd. (Acquired on. 27.03.2017)
134 PKC Vechicle Technology (Hefei) Co, Ltd. (Acquired on. 27.03.2017)
135 Samvardhana Motherson Plastic Solutions GMBH & Co KG (dissolved on 16th Feb 2017) (held by MSSL GmbH)
136 Samvardhana Motherson Nippisun Technology Ltd (SMNTL)

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties:

(a) Key management personnel compensation

	March 31, 2017	March 31, 2016
Short-term employee benefits	47	38
Post-employment benefits	32	25
Long-term employee benefits	14	12
Directors commission/sitting fees	20	15
Total compensation	**113**	**90**

(All amounts in ₹ Million, unless otherwise stated)

(b) Transactions with related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Companies		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
1	Sale of products	4,954	5,044	1,007	938	-	0	-	-	76	504	177	130
2	Sales of services	67	56	410	346	-	-	-	-	0	-	10	10
3	Rent income	-	-	33	38	-	2	-	-	-	-	27	29
4	Sale of fixed assets	-	-	-	-	-	-	-	-	-	-	15	-
5	Purchase of goods	965	897	11	18	-	0	-	-	5,290	847	2,220	1,819
6	Purchase of fixed assets	12	11	-	-	-	-	-	-	103	164	940	768
7	Purchase of services	106	92	0	1	-	63	-	-	86	87	1,139	839
8	Rent expense	-	-	-	-	-	-	5	5	3	3	503	397
9	Reimbursement made	107	85	0	-	-	2	0	0	1	3	44	32
10	Reimbursement received	52	81	1	15	-	0	-	-	1	4	9	3
11	Investments made during the year [1]	37,605	287	-	-	-	-	-	-	-	-	-	-
12	Investments redeemed/ sale of shares	65	213	-	-	-	-	-	-	-	-	45	13
13	Royalty	-	-	-	-	-	-	-	-	327	263	-	0
14	Dividend paid	-	-	-	-	-	-	-	180	-	3,703	-	7
15	Dividend received	-	858	172	258	-	-	-	-	-	-	-	6
16	Shares issued during the year	-	-	-	-	-	-	-	-	5,631	-	-	-
17	Guarantee given during the year	5,524	-	-	-	-	-	-	-	-	-	-	-

(c) Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Subsidiaries			Joint ventures			Associate Companies			Key Management personnel			Joint control over the entity			Other related parties		
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
1	Trade Payable	215	168	158	2	2	5	-	-	14	14	-	-	1,245	345	216	536	410	285
2	Trade Receivable	819	1,048	813	107	101	113	-	-	-	-	-	-	2	38	54	42	35	35
3	Advances recoverable	212	4	6	-	2	5	-	-	-	-	-	-	-	-	-	328	240	384
4	Advances from customer	32	21	60	0	-	0	-	-	-	-	-	-	0	0	-	0	-	-
5	Capital advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19	4
6	Investments	44,317	6,777	6,613	486	531	549	11	11	11	-	-	-	-	-	-	205	230	239
7	Guarantees given	6,861	1,389	1,982	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

(d) Loans & advances to / from related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Companies		Other related parties	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
i.	**Security deposits given:**								
	Beginning of the year	-	-	-	-	-	-	371	276
	Security deposit given	-	-	-	-	-	-	33	101
	Security deposits received back	-	-	-	-	-	-	(11)	(6)
	End of the year	-	-	-	-	-	-	393	371
ii.	**Security Deposit Received:**								
	Beginning of the year	-	-	36	42	-	1	20	26
	Security deposits received	-	-	-	-	-	-	-	-
	Security deposits repaid	-	-	(1)	(6)	-	(1)	(4)	(6)
	End of the year	-	-	35	36	-	-	16	20

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Companies		Other related parties	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
iii.	**Loans given**								
	Beginning of the year	102	92	51	25	-	-	-	-
	Loans given	10	15	-	35	-	-	-	-
	Interest charged	7	7	5	4	-	-	-	-
	Interest received	(7)	(12)	(5)	(3)	-	-	-	-
	Loans received back	(102)	-	(51)	(10)	-	-	-	-
	End of the year	10	102	-	51	-	-	-	-

[1] During the year one of the joint venture has been converted into subsidiary by way of purchase of share of JV Partner.

The company has given letter of support to its joint venture Global Environment Management Australia Pty Ltd. to enable it to continue their operations.

* Rent of ₹5 million (March 31, 2016: ₹5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of ₹Nil (March 31, 2016 : ₹180 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mital, Mr. G.N. Gauba, and Ms. Geeta Mathur

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

(All amounts in ₹ Million, unless otherwise stated)

39. Segment Information:

Description of segments and principal activities

The Company is primarily in the business of manufacture and sale of components to automotive original equipment manufacturers.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments. The Company has monthly review and forecasting procedure in place and CODM reviews the operations of the Company as a whole, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

A. Information about geographical areas:

The following information discloses revenue from external customers based on geographical areas:

i) Revenue from external customers

	For the year ended	
	March 31, 2017	March 31, 2016
India	61,713	50,635
Outside India	8,388	8,015
	70,101	**58,650**

ii) Segment Assets

Total of non-current assets other than financial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below

	March 31, 2017	March 31, 2016	April 01, 2015
India	15,622	15,377	15,656
Outside India*	0	1	1
	15,622	**15,378**	**15,657**

iii) Revenues from transactions with a single external customer amounting to 10 per cent or more of the Company's revenues is as follows

	March 31, 2017	March 31, 2016
Customer 1	24,407	19,303

Additional information:

Earlier management used to review operations of the Company based on risk and return that was further based on nature of product and services, which were categorized into Auto and Non-auto segment, whereas now CODM reviews operations of the Company as a whole, hence there are no reportable segments as per Ind AS 108 "Operating Segments"

*Amount is below the rounding off norm adopted by the Company

40. Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are as follows:

	Notes	March 31, 2017	March 31, 2016	April 01, 2015
Current:				
Financial assets				
First charge				
Cash and cash equivalents	13(a)	1,854	142	1,441
Trade receivables	8	8,115	5,921	4,577
Inventory	12	6,917	6,418	5,075
Other current assets		4,735	3,192	3,817
Total current assets pledged as security		**21,621**	**15,673**	**14,910**
Non Current:				
First charge				
Freehold and leasehold land	3	2,121	2,268	2,282
Buildings and leasehold improvements	3	5,910	5,806	5,467
Plant & Machinery	3	5,523	5,770	6,639
Other items of PPE	3	270	242	224
Investment property	5	592	233	228
Non current investment	6(a)	24,705	-	-
Capital advance	11	95	95	-
Total non-current assets pledged as security		**39,216**	**14,414**	**14,840**
Total assets pledged as security		**60,837**	**30,087**	**29,750**

41. Capital and Other Commitments

Capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2017	March 31, 2016	April 01, 2015
Property, plant and equipment			
Estimated value of contracts in capital account remaining to be executed, (Net of Advances of ₹518 million (March 31, 2016: ₹217 million, April 01, 2015: ₹329 million))	653	537	657
Investment property			
Estimated value of purchase consideration outstanding, (Net of Advances of ₹95 million (March 31, 2016: ₹95 million, April 01, 2015: ₹10 million))	12	12	97
Total	**665**	**549**	**754**

Other Commitments

The Company has given corporate guarantee in respect of borrowings of :			
i) Subsidiary Companies	6,861	1,389	1,982

42. Leases

i. Operating Leases:

The Company has significant operating leases for land, premises, plant & machinery, vehicles and computers. These lease arrangements range for a period between 11 months and 15 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses.

The Company has taken various land, commercial premises, plant and machinery under non-cancellable operating leases. The future minimum lease payments are as follows:

	March 31, 2017	March 31, 2016
Payable not later than 1 year	4	7
Payable later than 1 year and not later than 5 years	13	12
Payable later than 5 years	6	9
	23	**28**
With respect to all operating leases;		
Lease payments recognized in the Statement of Profit and Loss during the year	600	504

ii. Finance lease

The Company has taken land on long term finance lease from various Government authorities in India.

The present value of minimum lease payments (MLP) under finance lease is as follows:

Present value of future minimum lease payments	March 31, 2017	March 31, 2016	April 01, 2015
Disclosed under long term borrowings	-	-	-

43. Contingent liabilities:

Claims against the Company not acknowledged as debts

		March 31, 2017	March 31, 2016	April 01, 2015
a)	Excise matters#	42	56	56
b)	Customs demand matters#	-	59	59
c)	Sales tax matters#	38	48	51
d)	Service tax matters	39	41	44
e)	Stamp duty	-	3	5
f)	Claims made by workmen	34	27	19
g)	Income tax matters	155	142	94

Against which Company has given bank guarantees amounting to ₹14 million (March 31, 2016 : ₹76 million. April 01, 2015: ₹62 million)

(a) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(b) It is not practicable for the Company to estimate the timings and amount of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

44 . In accordance with the MCA notification G.S.R. 308(E) dated March 30, 2017, details of Specified Bank Notes (SBN) and Other Denomination Notes (ODN) held and transacted during the period from November 8, 2016 to December 30, 2016, is as below in respect of entities in India : :

Amount in ₹

	SBNs	Other denomination notes	Total
Closing cash in hand as on November 08, 2016	38,298,500	7,915,097	46,213,597
Add: Permitted receipts	-	6,748,670	6,748,670
Less: Permitted payments	21,500	6,233,356	6,254,856
Less: Amount deposited in Banks	38,277,000	-	38,277,000
Closing cash in hand as on December 30, 2016	**-**	**8,430,411**	**8,430,411**

45. Due to micro, small and medium enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act is as follows:

Particulars	March 31, 2017	March 31, 2016
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	113	49
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4	3
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	693	380
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	3	1
Further interest remaining due and payable for earlier years	2	1

46. The following expenses incurred on Research and Development is included under respective account heads:

Particulars	For the year ended	
	March 31, 2017	March 31, 2016
Employee benefit expenses	132	123
Other expenses	44	59
Capital expenditure	4	4

47. Disclosure pursuant to the Regulation 34(3) read with para A of Schedule V to Securities and Exchange Board of India (Listing Obligations And Disclosures Requirements) Regulation, 2015:

a) Loans and advances in the nature of loans to subsidiaries and associates

	March 31, 2017	March 31, 2016
Loan to Subsidiary : Samvardhana Motherson Polymer Limited		
Balance as at year end	-	102
Maximum amount outstanding at any time during the year	108	102

	March 31, 2017	March 31, 2016
Loan to Joint Venture: Samvardhana Motherson Nippisun Technology Limited (During the year 2016-17 converted into Subsidiary)		
Balance as at year end	10	51
Maximum amount outstanding at any time during the year	57	51

b) Investment by the loanees in the shares of the Company: The loanees have not made any investment in the shares of the Company.

48. First time adoption of Ind AS

These are the Company's first standalone financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 01 , 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

(i) Ind AS optional exemptions

Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all its property, plant and equipment, intangible assets and investment properties at their previous GAAP carrying value. There are no decommissioning liabilities of the Company.

Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS.

The Company has elected to apply this exemption for its investment in equity investments other than the investments in subsidiaries, joint ventures and associates.

Investment in subsidiaries, joint ventures & associates

There is an option to measure investments in subsidiaries, joint ventures and associates at cost in accordance with Ind AS 27 at either:

(a) Fair value on date of transition; or

(b) Previous gap carrying values

The Company has decided to use the previous gap carrying values and not to fair value its investments in subsidiaries, joint ventures and associates as on the date of transition.

(ii) Ind AS mandatory exceptions

Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

Classification and measurement of financial assets

Assessment whether assets meets the criteria of amortised cost or fair value through OCI on the basis of the facts and circumstances that exist at the date of transition to Ind AS and not earlier dates.

Government loans

A first-time adopter is required to apply the requirements in Ind AS 109 and Ind AS 20 prospectively to government loans existing at the date of transition to Ind AS. However, a first-time adopter may choose to apply the requirements of Ind AS 109 and Ind AS 20 to government loans retrospectively, if the information needed to do so had been obtained at the time of initially accounting for that loan.

Impairment of financial assets

If at the time of transition to Ind AS, the entity is unable to approximate the credit risk at the time of initial recognition of financial asset, the entity must recognize loss based on expected credit loss as at transition date.

B. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

(i) Reconciliation of equity as at

	Note	As At March 31, 2016			As At April 01, 2015		
		Previous GAAP *	Adjustments	Ind AS	Previous GAAP *	Adjustments	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment	1	14,086	-	14,086	14,612	-	14,612
Capital work in progress	1	652	-	652	399	-	399
Investment properties	1,2	233	-	233	228	-	228
Other intangible assets	1	3	-	3	6	-	6
Investment in subsidiaries, joint ventures and associate	3	7,224	-	7,224	7,063	-	7,063
Financial assets							
i. Non current investments	3	16	215	231	29	211	240
ii. Loans		45	-	45	124	-	124

(All amounts in ₹ Million, unless otherwise stated)

	Note	As At March 31, 2016			As At April 01, 2015		
		Previous GAAP *	Adjustments	Ind AS	Previous GAAP *	Adjustments	Ind AS
iii. Other financial assets	5	557	(557)	-	448	(448)	-
Deferred tax assets (net)	4	350	39	389	171	30	201
Other non-current assets		396	8	404	421	(9)	412
Total non-current assets		**23,562**	**(295)**	**23,267**	**23,501**	**(216)**	**23,285**
Current assets							
Inventories	10	6,982	(564)	6,418	6,084	(1,009)	5,075
Financial assets							
i. Current investments	3	0	6	6	0	6	6
ii. Trade receivables		5,921	-	5,921	4,577	-	4,577
iii. Cash and cash equivalents		142	-	142	1,441	-	1,441
iv. Bank balances other than (iii) above		43	-	43	20	-	20
v. Loans		165	-	165	77	-	77
vi. Other financial assets	10	19	1,487	1,506	35	1,760	1,795
Other current assets	8	1,489	(17)	1,472	1,654	265	1,919
Total current assets		**14,761**	**912**	**15,673**	**13,888**	**1,022**	**14,910**
Total assets		**38,323**	**617**	**38,940**	**37,389**	**806**	**38,195**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		1,323	-	1,323	882	-	882
Other equity							
Reserves and surplus	6	23,043	6	23,049	20,139	3,162	23,301
Other reserves	14	-	167	167	-	163	163
Total equity		**24,366**	**173**	**24,539**	**21,021**	**3,325**	**24,346**
Non current liabilities							
Financial Liabilities							
i. Borrowings	8	1,971	(32)	1,939	3,183	(17)	3,166
ii. Other financial liabilities		191	-	191	135	-	135
Employee benefit obligations		286	-	286	274	-	274
Government grants	9	-	110	110	-	101	101
Total non-current liabilities		**2,448**	**78**	**2,526**	**3,592**	**84**	**3,676**
Current liabilities							
Financial Liabilities							
i. Borrowings		1,410	-	1,410	947	-	947
ii. Trade payables	10	5,359	363	5,722	4,269	586	4,855
iii. Other financial liabilities	8	2,365	(11)	2,354	1,831	(16)	1,815
Provisions		17	-	17	3,204	(3,185)	19
Employee benefit obligations		201	-	201	157	-	157
Government grants	9	-	14	14	-	11	11
Income tax liabilities (net)		425	-	425	743	-	743
Other current liabilities		1,732	-	1,732	1,625	1	1,626
Total current liabilities		**11,509**	**366**	**11,875**	**12,776**	**(2,603)**	**10,173**
Total liabilities		**13,957**	**444**	**14,401**	**16,368**	**(2,519)**	**13,849**
Total equity and liabilities		**38,323**	**617**	**38,940**	**37,389**	**806**	**38,195**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

(ii) Reconciliation of total comprehensive income for the year ended March 31, 2016

	Note	Previous GAAP*	Adjustments	Ind AS
Revenue				
Revenue from operations	**10,11**	53,495	5,324	58,819
Other Income		1,708	-	1,708
Total		**55,203**	**5,324**	**60,527**
Expenses				
Cost of materials consumed	**10**	26,783	(223)	26,560
Purchase of stock-in-trade		2,187	-	2,187
Changes in inventories of finished goods, work-in-progress and stock in trade	**10**	234	(446)	(212)
Excise duty	**11**	-	5,889	5,889
Employee benefit expenses	**15**	7,191	(58)	7,133
Finance costs	**13**	222	252	474
Depreciation and amortization expense		2,008	-	2,008
Other expenses	**12,13**	7,123	(167)	6,956
Total		**45,748**	**5,247**	**50,995**
Profit before tax		**9,455**	**77**	**9,532**
Tax expenses				
-Current tax		2,515	-	2,515
-Deferred tax expense/ (credit)	**4**	(179)	10	(169)
Profit for the year		**7,119**	**67**	**7,186**
Other comprehensive income	**14**	**-**	**(34)**	**(34)**
Total comprehensive income		**7,119**	**33**	**7,152**

* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

C. Reconciliation of total equity as at March 31, 2016 and April 01, 2015:

	Notes	March 31, 2016	April 01, 2015
Total equity (shareholder's fund) as per previous GAAP		24,366	21,021
Adjustments:			
Proposed dividends	**7**	-	3,185
Fair value of investments	**3**	221	217
Reclassification of capital grant to government grant	**9**	(163)	(163)
Amortisation of government grant		64	51
Others		12	5
Tax effects of adjustments	**4**	39	30
Total equity		**173**	**3,325**
Total equity (shareholder's fund) as per Ind AS		**24,539**	**24,346**

(All amounts in ₹ Million, unless otherwise stated)

D. Reconciliation of total comprehensive income for the year ended March 31, 2016

	Notes	For the year ended March 31, 2016
Profit after tax as per previous GAAP		7,119
Adjustments:		
Actuarial loss on defined benefit plan transferred to other comprehensive income	**15**	58
Amortisation of subsidies/government grants	**9**	13
Others		(4)
Total adjustments		**67**
Profit after tax as per Ind AS		**7,186**
Other comprehensive income		(34)
Total comprehensive income as per Ind AS		**7,152**

E. Impact of Ind AS on the statements of cash flows for the year ended March 31, 2016

	Previous GAAP	Adjustments	Ind AS
Net cash flow from operating activities	6,609	174	6,783
Net cash flow from investing activities	(47)	(146)	(193)
Net cash flow from financing activities	(7,868)	(28)	(7,896)
Net increase/(decrease) in cash and cash equivalents	**(1,306)**	**-**	**(1,306)**
Cash and cash equivalents as at April 01, 2015	1,441	-	1,441
Less: Effects of exchange rate changes on cash and cash equivalents	(7)	-	(7)
Cash and cash equivalents as at March 31, 2016	142	-	142

Analysis of changes in cash and cash equivalents for the purposes of standalone statement of cash flows under Ind AS:

	March 31, 2016	April 01, 2015
Cash and cash equivalents as per previous GAAP	142	1,441
Bank overdrafts	-	-
Cash and cash equivalents for the purpose of statement of cash flows	142	1,441

F Notes to first-time adoption of IND AS

1 Deemed Cost for Property, Plant & Equipment, Investment Property and Intangible Assets:

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment properties covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all its property, plant and equipment, intangible assets and investment properties at their previous GAAP carrying value. There are no decommissioning liabilities of the Company.

2 Investment property

Under the previous GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

3 Fair valuation of investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in other comprehensive income as management has opted to value the equity investment through OCI as at the date of transition. Accordingly non current investments has increased by ₹215 million as at March 31 ,2016 (April 01, 2015: ₹211 million) and current investments by ₹6 million as at March 31, 2016 (April 01, 2015: ₹6 million).

Consequent to the above, the total equity as at March 31, 2016 increased by ₹172 million (net of deferred tax of ₹49 million) (April 01, 2015 - ₹169 million (net of deferred tax of ₹48 million)).

The Company has decided to use the previous gap carrying values and not to fair value its investments in subsidiaries, joint ventures and associates as on the date of transition.

4 Deferred Tax

Under IND AS deferred tax has been recognised on the adjustments made on transition to IND AS. Leasehold land is a non-depreciable asset, Management is expecting that its carrying value will be recovered through sale and indexation benefit at the time of disposal will be available, accordingly deferred tax asset on the difference between carrying value and indexed value has been created.

5 Security deposit

Security deposit mainly comprises of deposits given to electricty department, rental deposits etc. These all are short term in nature and hence they have been classified under current financials assets.Their fair value is equal to their carrying value as disclosed in the financials.

6 Retained earnings

Retained earnings as at April 01, 2015 has been adjsuted consequent to the IND AS adjustments.

7 Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of ₹3,185 million as at April 01, 2015 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

8 Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition, earlier they were shown as prepaid expenses. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to profit or loss over the period of the borrowing on a straight line basis. Accordingly, borrowings as at March 31, 2016 have been reduced by ₹ 18 million (April 01, 2015 — ₹ 33 million) and prepaid expenses as at March 31, 2016 decreased by ₹9 million (April 01, 2015: ₹28 million) .

During the financial year 2015-16 the Company has received a interest free loan of ₹51 million from Pradeshiya Industrial & Investment Corporation of U.P. Ltd. (PICUP) which is amortised based on the effective interest rate method and the amortised portion is treated as government grant and accordingly there is a decrease in borrowings by ₹25 million.

The retained earning for the period ended on March 31,2016 is increased by ₹5 million (April 01, 2015: ₹4 million) on account of amortisation of borrowing cost and decreased by ₹1 million on account of notional interest expense on PICUP loan.

9 Government grant:

Under previous GAAP, government grants that were given with reference to total capital outlay were credited to capital reserve and treated as part of shareholders' funds. Under Ind AS, Government grants relating to the purchase of property, plant and equipment shall be presented in the balance sheet by setting up the grant as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income. Consequently, capital reserve decreased by ₹163 million and deferred income of ₹112 million is recorded after taking ₹51 million to retained earnings as at April 01, 2015. Further, an amount of ₹11 million was credited to profit or loss during March 31,2016.

Ind AS 101 requires a first-time adopter to apply the requirements of Ind AS 109, Financial instruments and Ind AS 20, Accounting for Government Grants and Disclosure of Government Assistance, prospectively to government loans at below market rate of interest obtained after the date of transition to Ind AS.

During the financial year 2015-16 the Company has received a interest free loan of ₹51 million from Pradeshiya Industrial & Investment Corporation of U.P. Ltd. (PICUP) which is amortised based on the effective interest rate method and the amortised portion is treated as government grant and accordingly we have considered a deferred income of ₹23 million under government grant after crediting amount of ₹2 million on account of amortisation to profit or loss for the period ended on March 31,2016.

10 Revenue:

Under previous GAAP, revenue in case of sales of tools was recognized upon transfer of significant risk and reward of ownership. Under Ind AS, tooling revenue is recognized on the basis of percentage of completion method and accordingly revenues and costs are recognized on the basis of stage of completion of tools. Consequently, revenue and cost of material consumed has decreased by ₹666 million for the year ended March 31,2016. There is no impact on profit and loss.

Consequent to the above, the total inventory as at March 31, 2016 decreased by ₹564 million (April 01, 2015 - ₹1,009 million), unbilled revenue as at March 31, 2016 increased by ₹929 million (April 01, 2015 - ₹1,596 million) and trade payables as at March 31, 2016 increased by ₹363 million (April 01, 2015 - ₹586 million)

11 Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. This change has resulted in an increase in total revenue and total expenses for the year ended March 31, 2016 by ₹ 5,889 million. There is no impact on the total equity and profit.

12 Cash discount

Under previous GAAP, cash discount was shown separately under other expenses whereas under Ind AS, it has been netted off from revenue. Consequently, for the period ended March 31,2016 amount of ₹13 million pertaining to cash discount has been netted off from revenue.

13 Borrowing cost

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

The retained earning for the period ended on March 31,2016 is increased by ₹4 million.

As per Ind AS 23, borrowing costs includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Consequently exchange loss on external commercial borrowings of ₹256 million coming under other expenses is reclassified to finance cost for the period ended on March 31, 2016. There is no impact on profit for the year.

14 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in the statement of profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, fair value gains or (losses) on FVTOCI equity instruments and fair value gains or (losses) on FVTOCI debt instruments net of tax. The concept of other comprehensive income did not exist under previous GAAP. The total comprehensive income for the year ended on March 31, 2016 decreased by ₹34 million due to such adjustments.

15 Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change actuarial loss of ₹58 million was reclassified during March 31, 2016, from the profit or loss to other comprehensive income and corresponding deferred tax on the same of ₹20 million is also reclassified to other comprehensive income. There is no impact on the total equity as at March 31, 2016.

49 The company enters into contracts for manufacturing and sale of tooling to various OEM's which are falling in the definition of Construction Contracts as per Ind AS 11

The net position of constructions contracts and amount due to/from customers for contract work comprises the following:

	March 31, 2017	March 31, 2016	April 01, 2015
(i) The amount of contract revenue recognized as revenue in the period.	2,164	1,562	
(ii) Disclosure for contracts in progress at the end of reporting period:			
The aggregate amount of costs incurred and recognised profits (less recognised losses) to date;	181	104	
The amount of advances received;	737	1,048	1,170
The gross amount due from customers for contract work as an asset;	181	104	160

50 During the year ended March 31, 2017, the Company has allotted 17,762,460 equity shares and 62,884,827 equity shares of ₹1 each to Sumitomo Wiring Systems Japan and Qualified Institutional Buyers respectively at an issue price of ₹317 per equity share (including premium of ₹316 per equity share). Share issue expenses amounting to ₹288 million has been charged to Securities Premium Account as per the provisions of Companies Act 2013. The proceeds from the issue have been utilised for the business combination referred to in note 51.

(All amounts in ₹ Million, unless otherwise stated)

51 During the year ended March 31, 2017, the Company through its wholly owned subsidiary MSSL Estonia WH OU acquired 93.75% of PKC Group Plc outstanding share and stock options. The total consideration payable in cash amounted to Euro 571 million (₹ 4,034 crores) including consideration for 6.25% share which is in the process of being acquired.

52 The Company has a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income Tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company appoints independent consultants for conducting a Transfer Pricing Study to determine whether the transactions with associate enterprises are undertaken, during the financial year, on an "arm's length basis". Adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed for the current financial year. However, the management is of the opinion that its international and domestic transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE
Partner
Membership No.: 057134

Place: Noida
Date : May 19, 2017

For and on behalf of the Board

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITORS' REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Consolidated Indian Accounting Standards (Ind AS)Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Motherson Sumi Systems Limited ("hereinafter referred to as the Holding Company") and its subsidiaries(the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and associate companies; (refer Note 45 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss(including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associates and joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.

4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2017, and their consolidated profit(including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements of 23 subsidiaries whose financial statements reflect total assets of ₹204,377 million and net assets of ₹50,036 million as at March 31, 2017, total revenue of ₹352,171 million, net profit of ₹6,901 million and net cash flows amounting to ₹20,618 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹753 million for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 2 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 Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.

9. We did not audit the financial statements of 41 subsidiaries whose financial statements reflect total assets of ₹39,175 million and net assets of ₹14,698 million as at March 31, 2017, total revenue of ₹9,142 million, net loss of ₹153 million and net cash flows amounting to ₹3,578 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹305 million and ₹2 million for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 2 joint ventures and 1 associate company respectively, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

10. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 17, 2016 and May 12, 2015 respectively.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017 of the Holding Company and a subsidiary company, the reports of the other auditors in respect of other entities audited by them and representation received from the management for entities un-audited, for all the entities incorporated in India (also refer paragraphs 8 and 9 above), none of the directors of the subsidiary companies, its associate company and jointly controlled companies incorporated in India are disqualified as on March 31, 2017 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 over financial reporting 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.

(g) 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 consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017on the consolidated financial position of the Group, its associates and joint ventures– Refer Note 20 and Note 44 to the consolidated Ind AS financial statements.

   ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2017– Refer (a) Note 37 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, and (b) the Group's share of net profit in respect of its joint ventures and associates.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended March 31, 2017.

   iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company and its subsidiary companies incorporated in India and as produced to us by the Management – Refer Note 49.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number:012754N/N500016
Rajib Chatterjee
Partner
Membership Number: 057134

Place: Noida
Date: May 19, 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 13 (f) of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the consolidated financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Motherson Sumi Systems Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial

statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India and so far as it relates to the unaudited 2 subsidiaries and 1 associate company is based on representation received from the management. Our opinion is not qualified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rajib Chatterjee
Partner
Membership Number:057134

Place: Noida
Date: May 19, 2017

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED BALANCE SHEET

	Notes	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	3	80,777	68,076	56,257
Capital work-in-progress		19,348	13,970	9,547
Investment properties	4	896	581	551
Goodwill	5	19,376	2,928	2,974
Other intangible assets	5	20,877	465	450
Investments accounted for using the equity method	45	4,045	4,719	3,900
Financial assets				
i. Investments	6 (a)	684	591	255
ii. Loans	7	58	45	66
ii. Trade receivables	8	6,532	4,339	1,743
iii. Other financial assets	9	434	163	69
Deferred tax assets (net)	10 (a)	5,024	3,604	1,854
Other non-current assets	11	4,769	1,793	5,182
Total non-current assets		**162,820**	**101,274**	**82,848**
Current assets				
Inventories	12	30,716	22,850	20,025
Financial assets				
i. Investments	6 (b)	8	6	6
ii. Trade receivables	8	66,065	46,537	37,700
iii. Cash and cash equivalents	13(a)	48,772	17,656	17,429
iv. Bank balances other than (iii) above	13(b)	94	61	38
v. Loans	7	652	339	370
vi. Other financial assets	9	6,246	4,675	5,389
Other current assets	14	7,927	5,306	6,034
Income tax assets (net)	10 (b)	397	336	31
Total current assets		**160,877**	**97,766**	**87,022**
Total assets		**323,697**	**199,040**	**169,870**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	1,404	1,323	882
Other equity				
Reserves and surplus	16 (a)	82,797	41,952	36,275
Other reserves	16 (b)	(1,474)	696	163
Equity attributable to owners of the Company		**82,727**	**43,971**	**37,320**
Non controlling interests		22,322	15,123	10,993
Total equity		**105,049**	**59,094**	**48,313**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	As At March 31, 2017	As At March 31, 2016	As At April 01, 2015
Liabilities				
Non current liabilities				
Financial Liabilities				
i. Borrowings	17 (a)	94,440	47,858	38,663
ii. Other financial liabilities	18	216	203	142
Provisions	20	226	145	180
Employee benefit obligations	21	1,943	1,855	1,765
Deferred tax liabilities (net)	22 (a)	4,260	2,394	1,901
Government grants	23	1,228	446	481
Other non-current liabilities	24 (a)	2,508	1,273	2,567
Total non-current liabilities		**104,821**	**54,174**	**45,699**
Current liabilities				
Financial Liabilities				
i. Borrowings	17 (b)	6,978	9,557	7,714
ii. Trade payables	19	73,169	51,627	46,401
iii. Other financial liabilities	18	14,529	10,557	7,872
Provisions	20	1,402	1,426	1,067
Employee benefit obligations	21	561	556	265
Government grants	23	48	50	46
Income tax liabilities (net)	22 (b)	1,629	1,031	1,015
Other current liabilities	24 (b)	15,511	10,968	11,478
Total current liabilities		**113,827**	**85,772**	**75,858**
Total liabilities		**218,648**	**139,946**	**121,557**
Total equity and liabilities		**323,697**	**199,040**	**169,870**
Summary of significant accounting policies	1			

This is the consolidated Balance Sheet referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE

Partner

Membership No.: 057134

Place: Noida

Date : May 19, 2017

The above consolidated balance sheet should be read in conjunction with the accompanying notes

For and on behalf of the Board

V.C. SEHGAL

Chairman

NORIYO NAKAMURA

Director

PANKAJ MITAL

Whole-time Director/

Chief Operating Officer

G.N. GAUBA

Chief Financial Officer &

Company Secretary

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Revenue			
Revenue from operations	25	432,749	378,627
Other Income	26	1,463	392
Total Income		**434,212**	**379,019**
Expenses			
Cost of materials consumed	27	254,621	220,618
Purchase of stock-in-trade		2,954	3,297
Change in inventories of finished goods, work-in-progress and stock in trade	28	(68)	178
Excise duty on sales		7,815	6,464
Employee benefit expense	29	80,909	71,573
Depreciation and amortisation expense	32	10,591	10,872
Finance costs	31	3,749	3,450
Other expenses	30	43,671	41,015
Total expenses		**404,242**	**357,467**
Profit before exceptional items, share of net profits of investments accounted for using equity method and tax		**29,970**	**21,552**
Company's share in net profit / (loss) of associates and joint ventures accounted for using the equity method		1,831	1,377
Exceptional items (income)/ expense	33	974	-
Profit before tax		**30,827**	**22,929**
Tax expenses			
Current tax	34	8,627	6,479
Deferred tax expense/ (credit)		476	(1,287)
Profit for the year		**21,724**	**17,737**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(3,026)	482
Deferred gain / (losses) on cash flow hedges		(171)	(9)
		(3,197)	**473**
Income tax on items that may be classified to profit or loss		0	-
		(3,197)	**473**
Items that will not be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		21	5
Remeasurements of post-employee benefit obligations		(165)	(54)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		(3)	(2)
		(147)	**(51)**
Income tax relating to items that will not be reclassified to profit or loss		44	19
		(103)	**(32)**
Other comprehensive income for the year, net of tax		**(3,300)**	**441**
Total comprehensive income for the year		**18,424**	**18,178**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	For the year ended March 31, 2017	For the year ended March 31, 2016
Profit attributable to:			
Owners		15,543	12,923
Non-controlling interest		6,181	4,814
		21,724	**17,737**
Other comprehensive income attributable to:			
Owners		(2,252)	503
Non-controlling interest		(1,048)	(62)
		(3,300)	**441**
Total comprehensive income attributable to:			
Owners		13,291	13,426
Non-controlling interest		5,133	4,752
		18,424	**18,178**
Earnings per share	**35**		
Nominal value per share: ₹1/- (Previous year : ₹1/-)			
Basic : ₹Per share		11.37	9.77
Diluted : ₹Per share		11.37	9.77
Summary of significant accounting policies	**1**		

Amounts appearing as zero “0” are below the rounding off norm adopted by the Company

This is the consolidated statement of profit and loss referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE
Partner
Membership No.: 057134

Place: Noida
Date : May 19, 2017

The above consolidated statement of profit and loss should be read in conjunction with the accompanying notes

For and on behalf of the Board

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in ₹ Million, unless otherwise stated)

A. Equity share capital

	Notes	Amount
As at April 01, 2015		**882**
Changes in Equity Share capital	15	441
As at March 31, 2016		**1,323**
Changes in Equity Share capital	15	81
As at March 31, 2017		**1,404**

B. Other equity

	Notes	Reserves and Surplus					Other Reserves			Total attributable to Owners	Non Controlling interests	Total
		Capital reserve on consolidation	Securities premium reserve	Reserve on amalgamation	General Reserve	Retained Earning	FVOCI equity instrument	Foreign currency translation reserve	Cash flow hedging reserve			
Balance as at April 01, 2015		**1,336**	**3,303**	**1,663**	**3,365**	**26,608**	**163**	**-**	**-**	**36,438**	**10,993**	**47,431**
Profit for the year		-	-	-	-	12,923	-	-	-	**12,923**	4,814	**17,737**
Other comprehensive income		-	-	-	-	(30)	4	538	(9)	**503**	(62)	**441**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**12,893**	**4**	**538**	**(9)**	**13,426**	**4,752**	**18,178**
Transfer to general reserve	**16 (a)**	-	-	-	65	(65)	-	-	-	-		**-**
Dividend paid	**16 (a)**	-	-	-	-	(5,953)	-	-	-	**(5,953)**		**(5,953)**
Tax on Dividend	**16 (a)**	-	-	-	-	(1,137)	-	-	-	**(1,137)**		**(1,137)**
Bonus issue	**15**	-	(441)	-	-	-	-	-	-	**(441)**		**(441)**
Dividend to non controlling interest	**45 B**	-	-	-	-	-	-	-	-	**-**	(458)	**(458)**
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	**-**	125	**125**
Reversal of Non controlling interest						289				**289**	(289)	**-**
Other addition / (deletion)		-	-	-	-	26	-	-	-	**26**	-	**26**
Balance at March 31, 2016		**1,336**	**2,862**	**1,663**	**3,430**	**32,661**	**167**	**538**	**(9)**	**42,648**	**15,123**	**57,771**
Profit for the year		-	-	-	-	15,543	-	-	-	**15,543**	6,181	**21,724**
Other comprehensive income		-	-	-	-	(116)	16	(2,086)	(66)	**(2,252)**	(1,048)	**(3,300)**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**15,427**	**16**	**(2,086)**	**(66)**	**13,291**	**5,133**	**18,424**
Issue of equity shares , net of transaction costs	**16**	-	25,196	-	-	-	-	-	-	**25,196**	-	**25,196**
Transfer to retained earning on sale of equity instruments		-	-	-	-	34	(34)	-	-	**-**	-	**-**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	Reserves and Surplus					Other Reserves			Total attributable to Owners	Non Controlling interests	Total
		Capital reserve on consolidation	Securities premium reserve	Reserve on amalgamation	General Reserve	Retained Earning	FVOCI equity instrument	Foreign currency translation reserve	Cash flow hedging reserve			
Addition on acquisition of majority control over board of directors of a joint venture entity		-	-	-	-	292	-	-	-	**292**	2,157	**2,449**
Addition on account of acquisition (restated)	**48 A**	-	-	-	-	-	-	-	-	**-**	1,179	**1,179**
Buyback of shares from minority share holders	**45 C**	-	-	-	-	(128)	-	-	-	**(128)**	(550)	**(678)**
Dividend to non controlling interest	**45 B**	-	-	-	-	-	-	-	-	**-**	(810)	**(810)**
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	**-**	104	**104**
Other addition / (deletion)		-	-	-	-	24	-	-	-	**24**	(14)	**10**
Balance at March 31, 2017		**1,336**	**28,058**	**1,663**	**3,430**	**48,310**	**149**	**(1,548)**	**(75)**	**81,323**	**22,322**	**103,645**

This is the consolidated statement of changes in equity referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE
Partner
Membership No.: 057134

Place: Noida
Date : May 19, 2017

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

For and on behalf of the Board

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED CASH FLOW STATEMENT

		For the year ended March 31, 2017	For the year ended March 31, 2016
A.	**Cash flow from operating activities:**		
	Profit before taxation and exceptional expenses	31,801	22,929
	Adjustments for:		
	Share of (profit)/loss in associate	(1,831)	(1,377)
	Depreciation & Amortisation	10,591	10,872
	Finance cost	3,749	3,450
	Interest income	(425)	(239)
	Dividend income	(0)	(6)
	Loss/ (gain) on disposal of property, plant & equipment	44	(93)
	Gain on sale of Investments	(780)	(225)
	Gain on step-up of previously held equity interest in joint venture	(466)	-
	Bad debts / advances written off	110	162
	Provision for doubtful debts / advances	140	58
	Liability no longer required written back	(220)	(124)
	Provision for employee benefits	325	213
	Provision for warranty	(116)	339
	Unrealised foreign currency loss/(gain)	(2,162)	1,815
	Operating profit before working capital changes	**40,760**	**37,774**
	Change in working Capital:		
	(Increase)/decrease in trade and other payables	19,429	3,296
	Increase/(decrease) in other financial liabilities	(567)	1,402
	Increase/(decrease) in government grant	(9,465)	(11,498)
	(Increase)/decrease in inventories	(167)	(2,825)
	(Increase)/decrease in other receivables	(1,821)	81
	(Increase)/decrease in other financial assets	(765)	553
	Cash generated from operations	**47,404**	**28,783**
	- Taxes (paid) / received (net of TDS)	(8,433)	(6,899)
	Net cash generated from operations before exceptional items	**38,971**	**21,884**
	- Exceptional item (expense)/ income	(974)	-
	Net cash generated from operating activities	**37,997**	**21,884**
B.	**Cash flow from Investing activities:**		
	Payments for property, plant & equipment	(28,086)	(20,388)
	Proceeds from sale of property, plant & equipment	297	1,082
	Proceeds from sale / (payment for purchase) of investments	778	(151)
	Loan (to)/repaid by related parties (net)	(285)	81
	Interest received (revenue)	395	274
	Dividend received	0	6
	(Investment)/proceeds from maturity of fixed deposits	(46)	35
	Acquisition of non-controlling interests (refer note 45 C)	(678)	-
	Consideration paid on acquisition of subsidiaries (refer note 48)	(40,453)	-
	Net cash used in investing activities	**(68,078)**	**(19,061)**

(All amounts in ₹ Million, unless otherwise stated)

		For the year ended March 31, 2017	For the year ended March 31, 2016
C.	**Cash flow from financing activities:**		
	Proceeds from issues of shares	25,277	-
	Proceeds from minority shareholders	104	102
	Dividend paid	(16)	(5,928)
	Dividend distribution tax	-	(1,007)
	Dividend paid to minority share holders	(810)	(458)
	Dividend received from associates & joint venture entities	817	718
	Interest paid	(3,471)	(3,227)
	Proceeds from long term borrowings	46,408	7,231
	Proceeds from short term borrowings	16,652	22,211
	Repayment of long term borrowings	(7,119)	(1,532)
	Repayment of short term borrowings	(21,849)	(20,742)
	Net cash used in financing activities	**55,993**	**(2,632)**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**25,912**	**191**
	Net cash and cash equivalents at the beginning of the year	17,656	17,429
	Cash and cash equivalents acquired consequent to acquisition of PKC, Kobek & CEFA (Refer Note 48)	5,808	-
	Cash and cash equivalents as at current year closing	**49,376**	**17,620**
	Cash and cash equivalents comprise		
	Cash on hand	28	29
	Cheques / drafts on hand	128	47
	Balance with Banks	48,616	17,580
	Cash and cash equivalents as per Balance Sheet (restated)	**48,772**	**17,656**
	Effect of exchange differences on balance with banks in foreign currency	**604**	**(36)**
	Total	**49,376**	**17,620**

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".

ii) Figures in brackets indicate cash outgo

This is the Consolidated Cash Flow Statement referred to in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE
Partner
Membership No.: 057134

Place: Noida
Date : May 19, 2017

For and on behalf of the Board

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

Corporate Information

Motherson Sumi Systems Limited (MSSL or 'the Company') was incorporated in India on 19th December 1986 and is engaged primarily in the manufacture and sale of components to automotive original equipment manufacturers. The Company is a public limited company and is listed in the Bombay Stock Exchange and National Stock Exchange. The Company is a joint venture entity between Samvardhana Motherson International Limited (SMIL) and Sumitomo Wiring Systems Limited, Japan. The group comprises of MSSL and it's directly and indirectly held 134 subsidiaries (including stepdown subsidiaries), 7 Joint ventures and 2 associates. The group has manufacturing plants in India, Sri Lanka, Thailand, United Arab Emirates (UAE), Australia, United Kingdom (UK), Germany, Hungary, Portugal, Spain, France, Slovakia, China, South Korea, USA, Brazil, Mexico, Czech Republic, South Africa, Serbia, Lithuania, Poland and Russia.

1. Significant accounting policies

(a) Basis of preparation

(i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements up to March 31, 2016 were prepared in accordance with the accounting standards notified Companies (Accounting Standard) Rules, 2006 (as amended) and other relevant provisions of the Act.

These financial statements are the first financial statements of the group under Ind AS. Refer note 47 for an explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- Certain financial assets and liabilities (including derivative instruments) measured at fair value, and
- Defined benefit pension plans – plan assets measured at fair value

(b) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which 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.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like item of assets, liabilities, equity, income and expense. 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 transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

(ii) Associates

Associates are all entities over which the group has significant influence but not control or joint control.

This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

(iii) Joint arrangements

Under IND AS 111 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. Motherson Sumi Systems Limited has only joint ventures.

Joint Ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognised at cost in the consolidated balance sheet.

(iv) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit or loss, and the group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

<u>The carrying amounts of equity accounted investments are tested for impairment in accordance with the policy described in note1(j) below.</u>

(v) Changes in ownership interests

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of Motherson Sumi Systems Limited.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (refer note 40).

(d) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian Rupee (₹), which is Motherson Sumi Systems Limited's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.

Foreign exchange differences regarded as an adjustment to borrowing cost are presented in the Statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of profit and loss on a net basis within other income or other expenses.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equity instruments held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equity Investments classified as FVOCI are recognised in other comprehensive income.

(iii) Group companies

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

· assets and liabilities are translated at the closing rate at the date of that balance sheet

· income and expenses are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and

· all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(e) Revenue recognition and Other income

Sale of goods:

Measurement of revenue: Revenue is measured at the fair value of the consideration received or receivable. Sales are recognised when the significant risks and rewards of ownership are transferred to the buyer as per the terms of contract and are recognised. Amounts disclosed as revenue are inclusive of excise duty and net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

Timing of recognition: The group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the group's activities as described below. The group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Sale of services:

Measurement of revenue: In contracts involving the rendering of services, revenue as per terms of the contracts is recognised net of service tax. Revenues from the sale of services are recorded with respect to the stage of completion as of the reporting date in relation to the total service to be provided in the course of the transaction.

Timing of recognition: Revenue from services is recognised in the accounting period in which the services are rendered.

Rental Income

Measurement of revenue: Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over thelease terms and is included in revenue in the statement of profit or loss.

Timing of recognition: Rental income is recognised over the period for which the investment property is given on rent.

Other income

Interest is recognised using the effective interest rate (EIR) method, as income for the period in which it occurs. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend

Dividend income is recognised when the right to receive payment is established, which is generally when shareholders approve the dividend.

Duty drawback and export incentives

Income from duty drawback and export incentives is recognized on an accrual basis.

Tooling Revenue

Timing of recognition: Group develops tooling for its customers. The Group uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The Group determines the level of completion on the basis of milestones achieved to date.

Measurement of revenue: When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. Revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable. The group does not recognize profit on booking of such revenue ("Zero profit margin method") since it is not possible to determine the level of completion reliably. The costs include all expenses incurred in direct relation to the specific projects and a proportion of the fixed and variable general costs incurred on the basis of normal capacity for the Group's construction contracts. On the balance sheet, the Group reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.

(f) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

(g) Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, joint venture and associates where it is not probable that the differences will reverse in the foreseeable future and taxable profit will not be available against which the temporary difference can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Investment allowances and similar tax incentives

Companies within the group may be entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure. The group accounts for such allowances as tax credits, which means that the allowance reduces income tax payable and current tax expense.

(h) Leases

As a Lessee

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities, as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a Lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate the lessor for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

(i) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises

- the fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group, and

- fair value of any asset or liability resulting from a contingent consideration arrangement.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognised directly in equity as capital reserve.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquire is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss or other comprehensive income, as appropriate.

Business combinations – common control transaction

Business combinations involving entities that are controlled by the group are accounted for using the pooling of interests method as follows

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee.

The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

(j) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

In case events which caused impairment initially ceases to exist, impairments are only reversed to the extent that increased carrying amount of the asset does not exceed the carrying amount that would have been in place had there no impairment been carried out in the first place, taking into account the normal depreciation/amortization.

(k) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(l) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are initially recognised at fair value plus transaction costs. Trade receivables are measured atamortised cost using the effective interest method less any necessary write-downs.

(m) Inventories

Raw materials and stores, work in progress, traded and finished goods

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw material and traded goods comprise cost of purchase. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(n) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of derecognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the Statement of profit and loss.

Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured subsequently at amortised cost

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments and mutual funds, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Equity instruments and mutual funds

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments continue to be recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of investment in mutual funds are fair valued through profit or loss, are recognised in other income/ other expenses in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Impairment of financial assets:

The group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the group applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

(iii) De-recognition of financial assets

A financial asset is de-recognised only when:

- The group has transferred the right to receive cash flows from the financial asset
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipient.

Where the entity has transferred an asset, the group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred financial asset nor retains substantially all risks and rewards of ownership of financial asset, the asset is derecognised if the company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(o) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The group designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

The group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Hedge accounting

The Group designates fixed-to-fixed cross-currency interest-rate swaps as hedging instruments in cash flow hedges in respect of risk of variability, due to changes in foreign exchange rates, in cash flows on financial assets and financial liabilities denominated in foreign currency. The Group also designates foreign currency forward contracts as hedging instruments in respect of risk of variability of cash flows due to cash flows in currencies denomination in other than the functional currency of the entity. Such hedges of foreign exchange risk on highly probable forecast cash flows are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity 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 of the hedged item.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in equity in 'Cash Flow Hedge Reserve'. The gain or loss relating to the ineffective portion is recognised immediately in the income statement, and is included in the line 'Other Income or Other Operating Expenses'.

Amounts previously recognised in 'Cash Flow Hedge Reserve' and accumulated in equity are reclassified to the income statement in the periods when the hedged item affects income statement in the relevant income/ expense head for which swap/ forward is taken. However, when the forecast transaction that is hedged results in the recognition of a non-financial asset (for example, inventory or fixed assets) the gains and losses previously deferred in equity are reclassified from equity and included in the initial measurement of the cost of the asset. The deferred amounts are ultimately recognised in profit or loss as cost of goods sold in the case of inventory, or as depreciation or impairment in the case of fixed assets.

Discontinuation of hedge accounting

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or it no longer qualifies for hedge accounting. Any gain or loss accumulated in equity is reclassified from equity to income statement in the same period or periods during which the hedged forecast cash flows affect the income statement. If the underlying hedge transaction is no longer expected to occur, the amounts accumulated in equity are immediately reclassified in full to the income statement.

Derivatives that are not designated as hedge

The group enters into certain derivative contracts to hedge risks which are not designated as hedges. Such contracts are accounted for at fair value through profit or loss and are included in other income/ expenses.

(p) Offsetting financial instruments

Financial assets and liabilities are offset and net amount is reported in balance sheet where there is a legally enforceable right to offset the recognised amount and there is intention to settle on net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counter party.

(q) Property, plant and equipment

Freehold land is stated at historical cost. All other items of property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives or, in the case of leasehold improvements and certain leased plant and equipment, the shorter lease term as follows:

	Indian Entities	Overseas Entities
	Useful life	Useful life
Leasehold Land	Over the period of lease	
Freehold Land	Nil	
Leasehold improvements	Over the period of lease	
Buildings	30 years	5 to 61 years
Plant & Machinery:		
Plant & Machinery	7.5 years*	3 to 15 years
Die & Moulds	6.17 years*	3 to 15 years
Electric Installation	10 years	3 to 15 years
Furniture & fixtures	6 years*	3 to 15 years
Office equipment	5 years	3 to 10 years
Computers:		
Server & Networks	3 years*	3 to 15 years
End user devices, such as desktops, laptops, etc.	3 years	3 to 15 years
Vehicles	4 years*	3 to 12 years

*Useful life of these assets are lower than the life prescribed under schedule II to the Companies Act, 2013. The assets residual value values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying value is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(r) Investment properties

Investment properties, principally freehold buildings, leasehold land and industrial properties are held for long-term rental yields or for capital appreciation or for both and are not occupied by the group. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with expenditure will flow to the group and cost of item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using straight-line method over their estimated useful lives. Refer point 1(q) for depreciation rates used for building.

Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all its investment properties recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of investment properties .

(s) Intangible assets

(i) Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill has indefinite useful life. Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, which in our case arethe operating segments

(ii) Business, commercial rights and other rights

Separately acquired trademarks and licences are shown at historical cost. Trademarks, licenses and customer contracts acquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(iii) Customer relationships

Customer relationshipsacquired in a business combination are recognised at fair value at the acquisition date. They have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

(iv) Software

Costs associated with maintaining software programmes are recognised as an expense as incurred.

Separately acquired software are shown at transaction cost, software acquired in a business combination are recognised at fair value at the acquisition date. They are subsequently carried at cost less accumulated amortisation.

(v) Research and development

Research expenditure and development expenditure that do not meet the criteria in (iv) above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

(vi) Amortisation methods and periods

Asset	Useful lives (years)
Technical Knowhow fees	3 to13 years
Business & Commercial rights	3 to 11 years
Intellectual property rights	1 to 3 years
Software	2 to 5 years
Customer relationships	3 to 15 years

(vii) Transition to Ind AS

On transition to Ind AS, the group has elected to continue with the carrying value of all its intangible assets recognised as at April 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

(t) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method

(u) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(v) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

(w) Provisions and Contingent Liabilities

Provisions for legal claims, service warranties and make good obligations are recognised when the group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provision for the restructuring are recognised by the group when it has developed a detailed formal plan for restructuring and has raised a valid expectation in those affected that the group will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

(x) Employee benefits

a) In respect of the companies incorporated in India

Provident Fund & Employee State Insurance

Contribution towards provident fund and employee state insurance for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation fund

The Company have a superannuation plan for the benefit of its employees. Employees who are members of the defined benefit superannuation plan are entitled to benefits depending on the years of service and salary drawn. The Company contributes up to 12% of the eligible employees' salary or 1,00,000, whichever is lower, every year. Such contributions are recognised as an expense as and when incurred. The Company does not have any further obligations beyond this contribution.

Gratuity

The Company provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The gratuity plans in certain group companies are funded through annual contributions to Life Insurance Corporation of India (LIC) under its Group's Gratuity Scheme whereas others are not funded. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in statement of profit and loss.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of government bonds. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in statement of profit or loss in the period in which they arise. Past-service costs are recognised immediately in statement of profit and loss.

b) In respect of the companies incorporated outside India

Pension provisions

Companies within the Group operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

SMRPBV group mainly operated a defined benefit pension plan in Germany based on Employee pensionable remuneration and length of services. The plan is unfunded. Further, SMR group has various defined benefit plans, which consider final salary as well as average salary components in order to define the benefits for the pensioners. Different pension plans are operated by the group in the UK, Germany, Mexico and South Korea. The scheme in South Korea is administered by separate trust fund.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in statement of profit or loss.

When a settlement or a curtailment occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the statement of profit or loss during the period in which the settlement or curtailment occurs.

The value of a net pension benefit asset is restricted to the present value of any amount the Group expects to recover by way of refunds from the plan or reductions in the future contributions after considering any legal or contractual minimum funding requirements. The minimum funding requirements stipulate a minimum amount or level of contributions that must be made to a plan over a given period and may limit the ability of the entity to reduce future contributions and considered respectively in determining the economic benefit from the plan.

For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

Other Long term benefits

Jubilee Bonus: In certain group entities, the employees are entitled to bonus after completion of certain year of services which are based on the wage agreement or otherwise as per terms of employment. The Group recognizes as an expenditure the present value of such long term jubilee bonuses, where applicable based on the expected amounts to pay by considering expectancies of employee turnover and expected future salary increase.

Termination Benefits

Termination benefits are payable when employment is terminated by the group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The group recognises termination benefits at the earlier of the following dates: (a) when the group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IND AS 37 and involves the payment of terminations benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

(y) Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

(z) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(aa) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

(ab) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest millions unless otherwise stated.

2. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Critical estimates and judgements

The areas involving critical estimates or judgements are:

Estimation of current tax expense and payable – Note 34

Estimated fair value of unlisted securities- Note 36

Estimated goodwill impairment – Note 5

Estimated useful life of intangible asset – Note 5

Estimation of defined benefit obligation – Note 21

Estimation of provision for warranty claims – Note 20

Recognition of deferred tax assets for carried forward tax losses – Note 10

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the group and that are believed to be reasonable under the circumstances.

(All amounts in ₹ Million, unless otherwise stated)

3. Property plant and equipment

Particulars	Own assets								Assets Taken on Finance Lease				Total
	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Leasehold Land	Buildings	Plant & Machinery	Furniture & fixtures	
Year ended March 31 , 2016													
Gross carrying amount													
Deemed cost as at April 01, 2015	3,927	141	17,048	28,933	1,335	273	416	152	1,764	1,033	1,230	5	**56,257**
Additions	397	12	5,173	12,882	876	102	216	58	260	-	282	4	**20,262**
Disposal	-	(4)	(32)	(358)	(4)	(2)	(15)	(19)	(37)	-	(678)	-	**(1,149)**
Exchange difference	86	(1)	969	2,362	119	21	20	11	370	116	292	-	**4,365**
Closing gross carrying amount	**4,410**	**148**	**23,158**	**43,819**	**2,326**	**394**	**637**	**202**	**2,357**	**1,149**	**1,126**	**9**	**79,735**
Accumulated depreciation and impairment													
Depreciation charge during the year [1 & 2]	-	25	1,061	8,146	761	97	193	65	50	32	174	2	**10,606**
Disposals	-	-	(1)	(38)	(33)	-	(59)	(17)	-	-	(374)	-	**(522)**
Exchange differences	-	-	110	1,039	24	5	44	9	8	-	336	-	**1,575**
Closing accumulated depreciation and impairment	**-**	**25**	**1,170**	**9,147**	**752**	**102**	**178**	**57**	**58**	**32**	**136**	**2**	**11,659**
Net carrying amount	**4,410**	**123**	**21,988**	**34,672**	**1,574**	**292**	**459**	**145**	**2,299**	**1,117**	**990**	**7**	**68,076**
Year ended March 31, 2017													
Gross carrying amount													
Opening gross carrying amount as at April 01, 2016	**4,410**	**148**	**23,158**	**43,819**	**2,326**	**394**	**637**	**202**	**2,357**	**1,149**	**1,126**	**9**	**79,735**
Additions	842	36	6,295	13,271	757	413	513	25	55	-	93	11	**22,311**
Addition on account of business combination[3]	282	29	1,739	11,249	8	11	-	1	-	-	72	-	**13,391**
Disposal	(7)	-	(1)	(940)	(170)	(36)	(23)	(20)	-	(563)	(419)	-	**(2,179)**
Exchange Difference	(180)	(3)	(1,322)	(2,055)	(137)	(19)	(8)	(9)	(91)	(49)	(20)	-	**(3,893)**
Other adjustment / transfers	(323)	-	87	-	-	-	-	-	(143)	-	-	-	**(379)**
Closing gross carrying amount	**5,024**	**210**	**29,956**	**65,344**	**2,784**	**763**	**1,119**	**199**	**2,178**	**537**	**852**	**20**	**108,986**
Accumulated depreciation and impairment													
Opening accumulated depreciation as at April 01, 2016	**-**	**25**	**1,170**	**9,147**	**752**	**102**	**178**	**57**	**58**	**32**	**136**	**2**	**11,659**
Depreciation charge during the year [2]	-	24	1,221	7,765	675	130	302	44	30	24	135	2	**10,352**
Addition on account of business combination[3]	-	29	838	6,337	1	-	1	0	-	-	10	-	**7,216**
Disposal	-	-	(20)	(457)	(73)	(36)	(22)	(15)	-	(70)	(112)	-	**(805)**
Exchange differences	-	(1)	(19)	(106)	(32)	1	(10)	(1)	(6)	-	(39)	-	**(213)**
Other adjustment / transfers	-	-	-	-	(117)	117	-	-	-	-	-	-	**-**
Closing accumulated depreciation and impairment	**-**	**77**	**3,190**	**22,686**	**1,206**	**314**	**449**	**85**	**82**	**(14)**	**130**	**4**	**28,209**
Net carrying amount	**5,024**	**133**	**26,766**	**42,658**	**1,578**	**449**	**670**	**114**	**2,096**	**551**	**722**	**16**	**80,777**

(i) Property, plant and equipment pledged as security: Refer note 41 for information on property plant and equipment pledged as security by the group.

(ii) Contractual obligations: Refer note 42 for disclosure on contractual commitments for the acquisition of property, plant and equipment.

(iii) During the year ended March 31, 2017, the group has capitalised borrowing costs amounting to ₹289 million (March 31, 2016 : ₹300 million, April 01, 2016: ₹95 million) as qualifying assets. Borrowing costs were capitalised at weighted average rate of its general borrowings of 4% (March 31, 2016 : 5.05%).

[1]Depreciation includes Impairment. In respect of one of its step down subsidiary, based on the review of future business plans, The management has estimated the value in use/ recoverable value to be lower than the carrying value of certain fixed assets and consequently recognised an impairment loss amounting to Nil in March 31, 2017 (March 31, 2016: ₹1,343 million, April 01, 2015: Nil).

[2]Includes depreciation of ₹7 million (March 31, 2016: ₹7 million) capitalised during the year on assets used for creation of self generated assets.

[3] Refer note 48 for additions on account of business combination.

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

4. Investment properties

	March 31, 2017	March 31, 2016
Opening gross carrying amount / deemed cost	**599**	**551**
Add: Transfers / additions during the year	379	8
Less: Deletions during the year	-	-
Add / (Less): Exchange translation adjustment	(31)	40
Gross block	**947**	**599**
Accumulated depreciation:		
Opening balance	**18**	**-**
Add: Depreciation for the year	27	17
Add / (Less): Exchange translation adjustment	6	1
Closing accumulated depreciation	**51**	**18**
Net investment properties	**896**	**581**

(i) Amounts recognised in profit or loss for the investment properties

	March 31, 2017	March 31, 2016
Rental income	84	83
Direct operating expenses from property that generated rental income	(56)	(55)
Direct operating expenses from property that did not generate rental income	(1)	(1)
Profit from investment properties before depreciation	**27**	**27**
Depreciation	27	17
Profit from investment properties	**-**	**10**

(ii) Contractual obligations

Refer to note 42 for disclosure of contractual obligations for its repairs, maintenance or enhancements

(iii) Leasing arrangements

Certain investment properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

	March 31, 2017	March 31, 2016	April 01, 2015
Within one year	60	39	50
Later than one year but not later than 5 years	122	6	45
	182	**45**	**95**

(iv) Fair value

	March 31, 2017	March 31, 2016	April 01, 2015
Investment properties	2,115	1,365	1,270

Estimation of fair value

The fair values of investment properties have been determined by independent valuer. The fair valuation is based on prevailing market prices/ price trend of the property in that locality/ city considering the location, size of plot, approach road, amenities, locality etc.

(All amounts in ₹ Million, unless otherwise stated)

5. Intangible assets

Particulars	Technical Knowhow Fees	Customer Relationships	Intellectual Property Rights	Software	Total	Goodwill
Year ended March 31, 2016						
Gross carrying amount						
Deemed cost as at April 01, 2015	**15**	**-**	**58**	**377**	**450**	**2,974**
Addition	-	10	-	226	**236**	-
Disposal	-	-	-	(5)	**(5)**	
Exchange difference	0	1	7	38	**46**	331
Other adjustment	-	-	-	-	**-**	(374)
Closing gross carrying amount	**15**	**11**	**65**	**636**	**727**	**2,931**
Accumulated amortisation and impairment						
Amortisation charge during the year	4	11	14	224	**253**	3
disposals	-	-	-	(5)	**(5)**	-
Exchange differences	(0)	0	1	13	**14**	-
Closing accumulated amortisation impairment	**4**	**11**	**15**	**232**	**262**	**3**
Net carrying amount	**11**	**-**	**50**	**404**	**465**	**2,928**
Year ended March 31, 2017						
Gross carrying amount						
Opening gross carrying amount as at April 01, 2016	**15**	**11**	**65**	**636**	**727**	**2,931**
Addition	20	-	-	312	**332**	-
Addition on account of business combination [1]	102	23,495	-	2,246	**25,843**	16,577
Disposal	-	-	-	(3)	**(3)**	-
Exchange Difference	(2)	(530)	(5)	(107)	**(644)**	(129)
Closing gross carrying amount	**135**	**22,976**	**60**	**3,084**	**26,255**	**19,379**
Accumulated amortisation and impairment						
Opening accumulated amortisation as at April 01, 2016	**4**	**11**	**15**	**232**	**262**	**3**
Amortisation charge during the year	14	4	11	190	**219**	-
Addition on account of business combination [1]	-	3,998	-	1,046	**5,044**	-
disposals	(1)	-	-	(3)	**(4)**	-
Exchange differences	(1)	(91)	(4)	(47)	**(143)**	-
Closing accumulated amortisation and impairment	**16**	**3,922**	**22**	**1,418**	**5,378**	**3**
Net carrying amount	**119**	**19,054**	**38**	**1,666**	**20,877**	**19,376**

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

i. Refer Note 48 for addition on account of business combination.

ii. Goodwill consist of the following

A segment-level summary of the goodwill allocation is presented below:

	As at March 31, 2017
SMR	478
SMP	2,785
PKC	15,980
Others	133
Total	**19,376**

	As at March 31, 2016
SMR	522
SMP	2,271
Others	135
Total	**2,928**

	As at April 01, 2015
SMR	464
SMP	2,020
Others	490
Total	**2,974**

The group tests goodwill for impairment on an annual basis. The goodwill has been evaluated based on the cashflow forecasts of the related cash generating units (CGUs) and the recoverable amounts of these CGUs exceeded their carrying amounts. The estimated value in use of cash generating units (CGU) is based on the future cash flows using annual growth rate of 6% for periods subsequent to the forecast period of 5 years and weighted average cost of capital between 9% to 9.5%. An analysis of the sensitivity of the computation to a change in key paramters (operating margin, discount rates and long term average growth rate), based on reasonable probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount for any segment.

6. (a) Non-Current Investments

	March 31, 2017	March 31, 2016	April 01, 2015
Investment in equity instruments (fully paid-up)			
Quoted:			
Ssangyong Motor Corporation	8	9	9
18,040 (March 31, 2016 : 18,040, April 01, 2015 : 18,040) equity shares of Euro 3.394 each fully paid up			
Equity instruments at FVOCI			
Unquoted:			
Motherson Sumi Infotech & Designs Ltd.	205	185	185
1,200,000 (March 31, 2016 : 1,200,000, April 01, 2015 :1,200,000) Equity shares of ₹10/- each fully paid up			
Motherson Air Travel Agencies Ltd.	-	45	41
NIL (March 31, 2016 : 120,000, April 01, 2015: 120,000) equity shares of ₹10/- each fully paid up			

(All amounts in ₹ Million, unless otherwise stated)

	March 31, 2017	March 31, 2016	April 01, 2015
Green Infra Wind Power Projects Limited	-	1	1
NIL (March 31, 2016 : 120,000, April 01, 2015 : 120,000) Equity shares of ₹10/- each fully paid up			
Echanda Urja Private Ltd	0	-	-
35,000 Equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of ₹10/- each fully paid-up			
Tulsyan NEC Limited	2	-	-
63,750 Equity shares (March 31, 2016 : Nil, April 01, 2015 : Nil) of ₹30/- each fully paid-up			
Nano Holding (shares surrendered in lieu of shares of N H 2 Ltd.)	-	346	-
Nil (March 31, 2016 : 6,598,918, April 01, 2015 : Nil) units of USD 0.76/- each			
N H 2 Ltd. (shares received in lieu of surrendering of shares in Nano Holding)	373	-	-
7,918,702 (March 31, 2016 : Nil, April 01, 2015 : Nil) units of GBP 0.1/- each			
ConnectedYard	33	-	-
531,915 (March 31, 2016 : NIL, April 01, 2015 : NIL) Series A Preferred Stock			
Wisetime Oy	46	-	-
19 (March 31, 2016 : Nil, April 01, 2015 : Nil) shares			
Purpurin Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG	0	0	0
94 equity shares (March 31, 2016 : 94, April 01, 2015 : 94) of Euro 51.129 each fully paid up			
Investment in preference shares (fully paid-up)			
Unquoted:			
Motherson Sumi Infotech & Designs Ltd.	-	-	13
Nil (March 31, 2016 : Nil, April 01, 2015 : 1,250,000) 7% preference shares of ₹10/- each fully paid up			
Comunidad de Vertidos, “Les Carrases”	4	5	4
9.98% preference share of EUR 61334 (March 31, 2016 : 61332, April 01, 2015 : 61334) fully paid up			
Investment in bonds and promissory notes			
Unquoted:			
Daewoo Automotive securities	-	-	2
5,861 (March 31, 2016 : 5,861, April 01, 2015 : 5,861) Bonds of Euro 3.334 per bond			
Naya Health	10	-	-
1% Convertible Promissory Note			
Others			
Investment in antique arts (unquoted)	3	-	-
Total non current investments	**684**	**591**	**255**
Aggregate amount of quoted investments and market value thereof	8	9	9
Aggregate amount of unquoted investments	676	582	246
Aggregate amount of impairment in the value of investments	-	-	-

Amounts appearing as zero “0” are below the rounding off norm adopted by the Company

(All amounts in ₹ Million, unless otherwise stated)

6. (b) Current Investments

	March 31, 2017	March 31, 2016	April 01, 2015
Investment in equity instruments (fully paid-up)			
Quoted:			
HDFC Bank Ltd.	3	2	2
2,035 (March 31, 2016 : 2,035, April 01, 2015: 2,035) equity shares of ₹2/- each fully paid up			
Balrampur Chini Mills Ltd	0	0	0
1,200 (March 31, 2016 : 1,200, April 01, 2015: 1,200) equity shares of ₹1/- each fully paid up			
Jaysynth Dyestuff (India) Ltd	0	0	0
100 (March 31, 2016 : 100, April 01, 2015: 100) equity shares of ₹10/- each fully paid up			
Meyer Apparel Limited (Formerly known as GIVO Ltd.)	0	0	0
28,475 (March 31, 2016 : 28,475, April 01, 2015: 28,475) equity shares of ₹10/- each fully paid up			
Mahindra & Mahindra Ltd	5	4	4
3,644 (March 31, 2016 : 3,644, April 01, 2015: 3,644) equity shares of ₹5/- each fully paid up			
Arcotech Limited	0	0	0
200 (March 31, 2016 : 200, April 01, 2015: 200) equity shares of ₹10/- each fully paid up			
Unquoted:			
Pearl Engineering Polymers Ltd	-	-	-
3,160 (March 31, 2016 : 3,160, April 01, 2015: 3,160) equity shares of ₹10/- each fully paid up			
Daewoo Motors Limited	-	-	-
6,150 (March 31, 2016 : 6,150, April 01, 2015: 6,150) equity shares of ₹10/- each fully paid up			
Athena Financial Services Limited			
66 (March 31, 2016 : 66, April 01, 2015: 66) equity shares of ₹10/- each fully paid up			
Inox Leasing & Finance Limited	-	-	-
100 (March 31, 2016 : 100, April 01, 2015: 100) equity shares of ₹10/- each fully paid up			
Total current investments	**8**	**6**	**6**
Aggregate amount of quoted investments and market value thereof	8	6	6
Aggregate amount of unquoted investments	-	-	-
Aggregate amount of impairment in the value of investments	-	-	-

Amounts appearing as zero “0” are below the rounding off norm adopted by the Company

7. Loans

	March 31, 2017		March 31, 2016		April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Unsecured						
Loans to related parties (Refer note 39)						
Considered good	427	20	264	-	34	34
Doubtful	-	-	51	-	-	-
	427	**20**	**315**	**-**	**34**	**34**
Less: Provision for doubtful loans	-	-	51	-	-	-
	427	**20**	**264**	**-**	**34**	**34**
Loans to employees & others, considered good	225	38	75	45	336	32
Total	**652**	**58**	**339**	**45**	**370**	**66**

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

8. Trade Receivables

	March 31, 2017		March 31, 2016		April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Unsecured, considered good	65,337	6,532	46,199	4,339	37,337	1,743
Trade Receivables from Related Parties (Refer note 39)	728	-	338	-	363	-
Doubtful	597	-	651	-	560	-
	66,662	**6,532**	**47,188**	**4,339**	**38,260**	**1,743**
Less: Allowances for credit loss	597	-	651	-	560	-
Total	**66,065**	**6,532**	**46,537**	**4,339**	**37,700**	**1,743**

Note 1: The Group has derecognised trade receivables amounting ₹18,817 million (March 31, 2016: ₹18,016 million, April 01, 2015: ₹11,601 million) as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

Note 2: In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on past provision. Past Provision takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due.

Note 3: Movements in allowance for credit losses of receivables is as below:

	March 31, 2017	March 31, 2016
Balance at the beginning of the year	651	560
Addition on acquisition	38	-
Charge in statement of profit and loss	140	58
Release to statement of profit and loss	(6)	(5)
Utilised during the year	(178)	(25)
Exchange difference	(48)	63
Balance at the end of the year	**597**	**651**

9. Other financial assets

	March 31, 2017		March 31, 2016		April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Security Deposits						
Security deposits to related party (Refer note 39)	400	34	411	-	313	-
Unsecured, considered good	573	133	447	135	53	9
	973	**167**	**858**	**135**	**366**	**9**
Derivatives designated as hedge	71	242	-	-	-	-
Derivatives not designated as hedge	444	-	134	-	112	-
Interest receivable	35	-	5	-	40	-
Unbilled Revenue	3,622	-	2,592	-	4,296	-
Deposits with original maturity for more than 12 months	-	25	-	28	-	60
Others	1,101	-	1,086	-	575	-
Total	**6,246**	**434**	**4,675**	**163**	**5,389**	**69**

10. (a) Deferred tax assets (net)

	March 31, 2017	March 31, 2016	April 01, 2015
Deferred tax assets			
Unabsorbed depreciation and Tax losses	2,475	1,753	209
Property, plant and equipments, investment property and intangible assets	678	349	324
Employee benefits	366	238	161
Provision for Doubtful debts/Advances/Inventory	1,143	939	679
Others	362	325	481
Total	**5,024**	**3,604**	**1,854**

Movement in Deferred tax assets

	Property, plant and equipments, investment property and intangible assets	Unabsorbed depreciation and Tax losses	Employee benefits	Provision for Doubtful debts/ Advances/ Inventory	Other	Total
As at April 01, 2015	**324**	**209**	**161**	**679**	**481**	**1,854**
(Charged) / credited:						
to profit or loss	(31)	1,515	55	222	(152)	1,609
to other comprehensive income	-	-	20	-	(1)	19
Exchange translation adjustments	56	29	2	38	(3)	122
As at March 31, 2016	**349**	**1,753**	**238**	**939**	**325**	**3,604**
(Charged) / credited:						
to profit or loss	211	(150)	26	(92)	(39)	(44)
to other comprehensive income	-	-	49	-	(5)	44
Acquisition and other additions	132	906	62	343	114	1,557
Exchange translation adjustments	(14)	(34)	(9)	(47)	(33)	(137)
	678	**2,475**	**366**	**1,143**	**362**	**5,024**

Deferred Tax Assets and Deferred Tax Liabilities have been offset to the extent they relate to the same governing taxation laws.

In view of the Group's past financial performance and future profit projections, the Group expects to fully recover the Deferred Tax Assets.

10. (b) Income tax assets (net)

	March 31, 2017	March 31, 2016
Opening balance	336	31
Advance tax paid	820	1,940
Current tax payable for the year	(758)	(1,873)
Adjustments for current tax of prior periods	(30)	132
Exchange differences	29	106
	397	**336**

11. Other non-current assets

	March 31, 2017	March 31, 2016	April 01, 2015
Capital advances	2,014	1,109	4,716
Advances to be recoverable	12	2	0
Unamortised expenditure	595	211	279
Prepaid expenses	902	341	83
Balances with government authorities	219	84	39
Others	1,027	46	65
Total	**4,769**	**1,793**	**5,182**

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

12. Inventories

	March 31, 2017	March 31, 2016	April 01, 2015
Raw materials	18,718	12,910	10,661
Work-in-progress	4,253	3,530	3,365
Finished goods	6,438	5,411	5,266
Stock-in-trade	80	72	93
Stores and spares	1,227	927	640
Total	**30,716**	**22,850**	**20,025**
Inventory include inventory in transit of:			
Raw materials	1,312	1,431	846
Finished goods	398	473	436

Amount recognised in profit or loss:

During the year ended March 31, 2017, the group has written down inventories to net realisable value (net of reversal of written down related to goods sold during the year at price equal to or above cost) and also made provision in respect of obsolete / slow moving items amounted to ₹240 million (March 31, 2016: ₹145 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

13.(a) Cash and cash equivalents

	March 31, 2017	March 31, 2016	April 01, 2015
Balances with banks:			
- in current accounts	36,299	15,945	16,088
- Deposits with original maturity of less than three months	12,317	1,635	1,314
Cheques and drafts on hand	128	47	7
Cash on hand	28	29	20
Total	**48,772**	**17,656**	**17,429**

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods

(All amounts in ₹ Million, unless otherwise stated)

13.(b) Other bank balances

	March 31, 2017	March 31, 2016	April 01, 2015
Deposits with original maturity of more than three months but less than 12 months	69	20	23
Unpaid dividend account	25	41	15
Total	**94**	**61**	**38**

14. Other current Assets

	March 31, 2017	March 31, 2016	April 01, 2015
Advances to be recoverable	3,264	1,975	3,079
Prepayments	1,307	598	448
Balances with government authorities	3,198	2,707	2,451
Others	158	26	56
Total	**7,927**	**5,306**	**6,034**

15. Share Capital

	March 31, 2017	March 31, 2016	April 01, 2015
Authorised:			
2,873,000,000 (March 31, 2016 : 2,873,000,000, April 01, 2015 : 2,873,000,000) Equity shares of ₹1/- each	2,873	2,873	2,873
25,000,000 (March 31, 2015 : 25,000,000, April 01, 2015 : 25,000,000) 8% Convertible Cumulative Preference Shares of ₹10/- each	250	250	250
Issued:			
1,403,526,327 [1] (March 31, 2016 : 1,322,879,040 [1], April 01, 2015 : 881,919,360) Equity Shares of ₹1/- each	1,404	1,323	882
Subscribed and Paid up:			
1,403,526,327 [1] (March 31, 2016 : 1,322,879,040 [1], April 01, 2015 : 881,919,360) Equity Shares of ₹1/- each	1,404	1,323	882
Total	**1,404**	**1,323**	**882**

[1] During the year, the Company on September 12, 2016 and September 16, 2016, has made allotment of 17,762,460 equity shares and 62,884,827 equity shares of ₹1 each to Sumitomo Wiring Systems Japan and Qualified Institutional Buyers respectively at an issue price of ₹317 per equity share. During year ended March 31, 2016 the Company had allotted 440,959,680 equity shares of ₹1/- each as bonus shares in proportion of one equity share for every two equity shares held.

a. Movement in equity share capital

Equity Shares:

	Numbers	Amount
As at April 01, 2015	**881,919,360**	**882**
Add: Bonus shares issued by capitalisation of securities premium account	440,959,680	441
As at March 31, 2016	**1,322,879,040**	**1,323**
Add: Shares issued to Qualified Institutional Buyers (Refer note 50)	62,884,827	63
Add: Shares issued to Sumitomo Wiring Systems Japan (refer note 50)	17,762,460	18
As at March 31, 2017	**1,403,526,327**	**1,404**

b. Rights, preferences & restrictions attached to shares

Equity Shares:

The Company has only one class of equity shares having a par value of ₹1/- per share. Each holder of equity is entitled to one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

In the event of liquidation of the Company, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2017)

	Aggregate No of Shares issued in five years	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Equity shares allotted as fully paid bonus shares by capitalization of Securities Premium Account and Capital Redemption Reserve	930,914,880	-	440,959,680	-	293,973,120	195,982,080

d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	March 31, 2017		March 31, 2016		April 01, 2015	
	Nos.	%	Nos.	%	Nos.	%
Equity shares:						
Samvardhana Motherson International Limited	488,549,846	34.81%	488,549,846	36.93%	325,566,564	36.92%
Sumitomo Wiring Systems Limited	352,283,241	25.10%	334,520,781	25.29%	223,013,854	25.29%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

e. Aggregate number of share issued for consideration other than cash

	March 31, 2017	March 31, 2016	April 01, 2015
	Nos.	Nos.	Nos.
Equity shares:	Nil	Nil	Nil

16. (a) Reserves and surplus

	March 31, 2017	March 31, 2016	April 01, 2015
Capital reserve on consolidation	1,336	1,336	1,336
Securities premium reserve	28,058	2,862	3,303
Reserve on amalgamation	1,663	1,663	1,663
General Reserve	3,430	3,430	3,365
Retained earning	48,310	32,661	26,608
Total reserves and surplus	**82,797**	**41,952**	**36,275**

(All amounts in ₹ Million, unless otherwise stated)

Capital Reserve on Consolidation

	March 31, 2017	March 31, 2016
Opening balance	1,336	1,336
Additions during the year	-	-
Closing balance	**1,336**	**1,336**

Reserve on Amalgamation

	March 31, 2017	March 31, 2016
Opening balance	1,663	1,663
Closing balance	**1,663**	**1,663**

Securities Premium Account

	March 31, 2017	March 31, 2016
Opening Balance	2,862	3,303
Proceeds received on share issued to qualified institutional buyers and on preferential allotment (Refer Note 50)	25,484	-
Transaction costs arising on share issues (Refer Note 50)	(288)	-
Deductions during the year	-	(441)
Closing balance	**28,058**	**2,862**

General Reserve

	March 31, 2017	March 31, 2016
Opening balance	3,430	3,365
Transfer from Surplus in Statement of Profit and Loss during the year	-	65
Closing balance	**3,430**	**3,430**

Retained earnings

	March 31, 2017	March 31, 2016
Opening balance	32,661	26,608
Additions during the year	15,543	12,923
Remeasurements of post-employee benefit obligation, net of tax	(113)	(28)
Share of OCI of associates and joint ventures, net of tax	(3)	(2)
Transfer to General Reserve	-	(65)
Transfer to retained earning on sale of equity instruments	34	-
Dividend paid	-	(2,646)
Interim dividend paid	-	(3,307)
Tax on dividend	-	(1,137)
Addition on acquisition of majority control over board of directors of a joint venture entity	292	-
Buyback of shares from minority shareholders in respect of one of the stepdown subsidiary	(128)	-
Other addition / (deletion) (Refer SOCIE)	24	315
Closing balance	**48,310**	**32,661**

16. (b) Other reserves

	Exchange Reserve on Consolidation	Hedge Reserve	FVOCI equity investments	Total
As at April 01, 2015	-	-	163	163
Currency translation difference	538	-	-	538
Change in fair value of hedging instruments net of tax	-	(9)	-	(9)
Change in fair value of FVOCI equity instruments	-	-	4	4
As at March 31, 2016	**538**	**(9)**	**167**	**696**
Currency translation difference	(2,086)	-	-	(2,086)
Change in fair value of hedging instruments net of tax	-	(66)	-	(66)
Change in fair value of FVOCI equity instruments (net)	-	-	(18)	(18)
As at March 31, 2017	**(1,548)**	**(75)**	**149**	**(1,474)**

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Cash flow hedging reserve

The group uses hedging instruments as part of its management of foreign currency risk associated with its highly probable forecast sale and inventory purchases and interest rate risk associated with variable interest rate borrowings. For hedging foreign currency risk, the group uses foreign currency forward contracts which are designated as cash flow hedges. For hedging interest rate risk, the group uses interest rate swaps which is also designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedging reserve. Amounts recognised in the cash flow hedging reserve is reclassified to profit or loss when the hedged item affects profit or loss (e.g. sales and interest payments).

Capital reserve on consolidation

It represents capital reserve on acquisition of subsidiaries.

Reserve on amalgamation

This reserve was created at the time of amalgamation and mergers carried in earlier years. The reserve is utilised in accordance with the provisions of the Act.

General Reserve is the retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Exchange Reserve on Consolidation

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

FVOCI equity investments

The group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Bracket denotes appropriations / deductions.

(All amounts in ₹ Million, unless otherwise stated)

17. Financial liabilities

17. (a) Non-current borrowings

	March 31, 2017	March 31, 2016	April 01, 2015
Secured#:			
i) $4^{1/8}$% Senior Secured Notes Due 2021 (EUR 500 million (March 31, 2016 : EUR 500 million, April 01, 2015 : EUR 500 million))	33,845	36,772	32,558
ii) 3.7% Senior Secured Notes Due 2025 (EUR 100 million (March 31, 2016 : EUR 100 million, April 01, 2015 : Nil))	6,776	7,379	-
iii) $4^{7/8}$% Senior Secured Notes Due 2021 (Refer note 54) (USD 400 million (March 31, 2016 : Nil, April 01, 2015 : Nil))	25,622	-	-
iv) Term loans:			
From Banks:			
- Rupee Loan	5,750	103	141
- Foreign currency loan	13,008	4,675	5,378
From others			
- Indian rupee loan	47	101	46
- Foreign Currency Loan	35	-	26
v) Finance lease liabilities (Refer note 43)	574	1,104	1,297
	85,657	**50,134**	**39,446**
Unsecured:			
i) 4.25% Senior Unsecured Bond Due 2018 (EUR 100 million (March 31, 2016 : Nil, April 01, 2015: Nil)	6,905	-	-
ii) Term loan:			
From Banks:			
- foreign currency loan	2,955	496	901
From others			
- Indian rupee loan	51	26	-
- Foreign currency loan	913	376	354
- Finance lease liabilities (Refer note 43)	34	-	-
iii) Deposits from related parties			
- Foreign currency loan - from related party (Refer note 39)	-	-	22
- Indian rupee loan - from related party (Refer note 39)	-	98	83
	10,858	**996**	**1,360**
Amounts disclosed under the head "other current financial liabilities" (Refer Note 18)			
Total	**96,515**	**51,130**	**40,806**
Less: Current maturities of long-term debt	1,832	2,722	1,610
Less: Current maturities of finance lease obligations	243	550	533
	94,440	**47,858**	**38,663**

(All amounts in ₹ Million, unless otherwise stated)

17. (b) Current borrowings

		March 31, 2017	March 31, 2016	April 01, 2015
Secured#:				
i)	Loans repayable on demand from banks			
	- Rupee Loan [1]	37	359	240
	- Foreign Currency Loan [2]	2,422	6,741	5,434
ii)	Other short term loans from banks			
	- Rupee Loan [3]	-	600	-
	- Foreign Currency Loan [4]	127	736	1,458
		2,586	**8,436**	**7,132**
Unsecured:				
i)	Loans repayable on demand from banks			
	- Rupee Loan	-	600	-
	- Foreign Currency Loan	1,111	521	582
ii)	Other short term loans from banks			
	- Rupee Loan	519	-	-
iii)	Other short term loans - (Other than banks)			
	- Foreign Currency Loan	2,762	-	-
		4,392	**1,121**	**582**
		6,978	**9,557**	**7,714**

Non-current borrowings:

(a) Nature of Security and terms of repayment for secured borrowings:

	Nature of Security	Terms of Repayment
	4$^{1/8}$% Senior Secured Notes Due 2021	
	Loan amounting to ₹33,845 million (March 31, 2016: ₹36,772 million, April 01, 2015: ₹32,558 million) secured by: a. Guarantee given by some of the material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. b. 100% share pledge of material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. c. Assets security given by some subsidiaries of Samvardhana Motherson Automotive Systems Group B.V.	The Notes bear interest at a rate of 4.125% payable semi-annually on 15th January and 15th July of each year and will mature on July 15, 2021. The Notes carry a prepayment option and as per the terms of the indenture, the company may at any time on or after July 15, 2017, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to July 15, 2017, the Subsidiary is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to July 15, 2017, the Subsidiary may redeem, at its option, upto 35% of the Notes with the net proceeds from certain equity offerings.

(All amounts in ₹ Million, unless otherwise stated)

	Nature of Security	Terms of Repayment
	3.7% Senior Secured Notes Due 2025	
	Loan amounting to ₹6,776 million (March 31, 2016: ₹7,379 million, April 01, 2015: Nil) secured by: a. Guarantee given by some of the material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. b. 100% share pledge of material subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. c. Assets security given by some subsidiaries of Samvardhana Motherson Automotive Systems Group B.V.	The Notes bear interest at a rate of 3.70% payable annually on 18th June each year and will mature on June 18, 2025. The Notes carry a prepayment option and as per the terms of the indenture the Subsidiary may at any time prior to June 18, 2025, redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, plus a "make-whole" premium. In addition, prior to June 18, 2025, the subsidiary may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.
	4 7/8% Senior Secured Notes Due 2021	
	Loan amounting to ₹25,622 million (March 31, 2016: Nil, April 01, 2015: Nil) secured by: The Notes are structured as senior secured obligations and will rank pari passu in right of payment with all the existing and future senior obligations of SMRP BV, including the obligations under the 2025 Notes, the 2021 Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.	The Notes bear interest at a rate of 4.875% payable semi annually on June 16 & December 16 each year and will mature on December 16, 2021. The Notes carry a prepayment option and as per the terms of the indenture, the Group may at any time on or after June 16, 2019, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to June 16, 2019, the Group is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to June 16, 2019, the Group may redeem, at its option, up to 35% of the principal amount of the Notes at a redemption price equal to 104.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, up to the redemption date.
	Long term Indian Rupee loans from Bank include:	
i	Loan amounting to Nil (March 31, 2016: ₹ 103 million, April 01, 2015: ₹ 141 million) Secured by first and exclusive charge on entire movable and immovable fixed assets of SMR Automotive Systems India Limited, Chennai Plant 1, 4/113 Varadharajapuram, Chennai - Bangalore Highway, Poonamallee, Chennai.	The loan was fully repaid during current year. The applicable interest rate was 10.5%
	Loan amounting to ₹5,750 million(March 31, 2016: Nil, April 01, 2015: Nil) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL GB Ltd on pari passu basis.	The principal amount to be paid to bank within period of 5 years from date of disbursement as a bullet payment. The loan carries interest rate of 8% p.a.

(All amounts in ₹ Million, unless otherwise stated)

	Nature of Security	Terms of Repayment
Long term foreign currency loans from Bank include:		
i.	Loan amounting to ₹1,826 million (March 31, 2016: ₹2,917 million (April 01, 2015: ₹3,528 million) secured by first pari passu charge on entire fixed assets, both movable & immovable, of the Company present and future and second pari passu charge on the entire current assets of the Company. These are also secured by way of deposit of title deeds of specified properties.	1) Nil (March 31, 2016 : Nil, April 01, 2015: ₹125 million) was fully repaid during year ended March 31, 2016, carried interest rate of 3 month US Libor + 37.5bps
		2) Nil (March 31, 2016: Nil, April 01, 2015 : ₹78 million)was fully repaid during year ended March 31, 2016, carried interest rate of 3 month US Libor + 200bps
		3) Nil (March 31, 2016: Nil, April 01, 2015 : ₹117 million)was fully repaid during year ended March 31, 2016, carried interest rate of 3 month US Libor + 200bps
		4) ₹ 582 million (March 31, 2016: ₹989 million, April 01, 2015 : ₹1,179 million) is repayable in remaining 3 half yearly instalments till August 2018 carrying Interest rate of 6 month US Libor + 205bps and from February 29, 2016 interest rate is 6 month US Libor + 160 bps
		5) ₹ 324 million (March 31, 2016: ₹595 million, April 01, 2015 : ₹685 million) is repayable in remaining 2 half yearly instalments till February 2018, carrying Interest rate of 6 month US Libor + 160bps
		6) ₹ 48 million (March 31, 2016: ₹149 million, April 01, 2015 : ₹233 million) is repayable in remaining 1 half yearly instalments till August 2017, carrying Interest rate of 6 month US Libor + 175bps
		7) ₹ 872 million (March 31, 2016: ₹1,184 million, April 01, 2015 : ₹1,110 million) is repayable in remaining 3 half yearly instalments started from March 2017 till September 2018, carrying Interest rate of 6 month US Libor + 71.25bps
		The applicable rate of interest in respect of foreign currency loans from banks is within a range of 1.0"% p.a. to 3.0% p.a. (March 31, 2016: 0.4% p.a. to 2.0"% p.a, April 01, 2015: 0.4% to 2.5%) over 3 to 6 months US $ Libor and 8.05% p.a. to 9.30% p.a. (March 31, 2016: 7.5% p.a. to 9.3% p.a, April 01, 2015: 7.3% to 9.3%) in respect of loans hedged.
ii	Loan amounting to ₹333 million (March 31, 2016: ₹591, April 01, 2015: ₹934 million) Secured against: 1) General notarial bond to the value of ZAR 181 million plus additional costs over the movable assets of one of MSSL Global RSA Module Engineering Limited including its Durban plant, in favour of the Lender. 2) The special notarial bond to the value of ZAR 95 million plus additional costs over the plant and equipment assets of MSSL Global RSA Module Engineering Limited funded using the Plant and Equipment Loan in favour of the Lender. 3) A first covering mortgage bond over the property to the value of ZAR 80 million plus additional costs, in favour of the Lender.	Repayable in monthly installments from October' 2014 till June' 2020. The applicable rate of interest is Prime Rate minus 3% as applicable in South Africa for first five years after which it will be adjusted to prime rate minus 0.1% thereafter.

	Nature of Security	Terms of Repayment
iii	Loan amounting to ₹52 million (March 31, 2016: ₹76 million, April 01, 2015: ₹113 million) secured by General Notarial Bond on assets of Vacuform 2000 Pty Ltd.	1). ₹ 21 million (March 31, 2016: ₹32 million, April 01, 2015 : ₹48 million) is repayable in 60 equal monthly installments commenced from 31 January 2015. 2) ₹ 31 million (March 31, 2016: ₹44 million, April 01, 2015 : ₹65 million) is repayable 60 equal monthly installments commenced from 31 March 2014. The applicable rate of interest in respect of these loans is within a range of 7.5% to 13.5%
iv	Loan amounting to Nil (March 31, 2016: Nil, April 01, 2015: ₹521 million) secured by mortgage of land and plant and machinery of SMR Automotive Brasil Ltda.	The loan was fully repaid in December 2015. The applicable rate of interest was CDI (Inter Bank Deposit Certificate - Brasilian) + 4% spread per year.
v	Loan amounting to ₹285 million(March 31, 2016: ₹300 million, April 01, 2015: ₹227 million) secured by specified assets located at Boetzingen plant of SMP Deutschland GmbH	Repayable in monthly installments starting from January 2016 and ending in June 2020. The applicable rate of interest is 4.96"%
vi	Loan amounting to ₹25 million(March 31, 2016: ₹27 million, April 01, 2015: ₹26 million) secured against land and building of MSSL Japan.	Repayable in 57 quarterly installment from June 2015. The applicable rate of interest is 3 months Tibor + 0.95%
vii	Loan amounting to ₹16 million (March 31, 2016: ₹26 million, April 01, 2015 : ₹30 million) secured by pledge of the specific machinery by MSSL GMBH and future insurance receivables of debtors related to the same in favour of the Bank.	Repayable in monthly installments from January 2014 until May 2019. The applicable rate of interest is 4.5%
viii	Loan amounting to ₹138 million (March 31, 2016: ₹42 million, April 01, 2015 : Nil) secured by first mortgage on plant & machinery of Samvardhana Motherson Invest Deutschland GmbH	Repayable in one bullet payment on September 30, 2025. The applicable rate of interest in respect of this loans is 2.2%
ix	Loan amounting to Nil (March 31, 2016: ₹693 million, April 01, 2015 : Nil) secured by guarantee given by parent company Samvardhana Motherson Automotive Systems Group B.V.	Fully repaid in April 2016. The applicable rate of interest in respect of this loans was Euribor + 1.55%
x	Loan amounting to ₹3 million (March 31, 2016: ₹3 million, April 01, 2015 : Nil) secured against vehicle of Vacuform 2000 (Proprietary) Limited.	₹3 million is repayable in 60 installments from November 01, 2015. The applicable rate of interest in respect of this loans is South Africa prime lending rate + 0.5%
xi	₹ 5,224 million (March 31, 2016 : Nil, April 01, 2015 : Nil) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL GB Ltd on pari passu basis.	Repayable as bullet payment in March 2022. The applicable rate of interest in respect of this loans is 6 months Libor + 120 basis points to be paid on half yearly basis.
xii	₹ 4,834 million (March 31, 2016 : Nil, April 01, 2015 : Nil) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL GB Ltd on pari passu basis.	Repayable as bullet payment in March 2020. The applicable rate of interest in respect of this loans is 3 months Euribor + 39 basis points.
xiii	₹ 207 million (March 31, 2016 : Nil, April 01, 2015 : Nil) secured against the plant & machinery.	Repayable as bullet payment in March 2020. The applicable rate of interest in respect of this loans is 3M EURIBOR + 1.15%
xiv	₹ 65 million (March 31, 2016 : Nil, April 01, 2015 : Nil) secured against the plant & machinery	Repayable in monthly instalments. The applicable rate of interest in respect of this loans is 5%

	Nature of Security	Terms of Repayment
Long term Indian Rupee Loans from Other than Banks include:		
i.	Loan amounting to Nil (March 31, 2016: ₹41 million, April 01, 2015: ₹46 million) secured against land acquired from NOIDA authority under installment plan by SMR Automotive Systems India Limited	Fully repaid during the financial year 2016-17. The applicable rate of interest was 11%
ii.	Indian Rupee loan amounting to ₹47 million (March 31, 2016: ₹60 million, April 01, 2015 : Nil) from other than banks for the purchase of Investment Property and is secured by the capital advance given for the purchase of investment property.	Repayable in monthly installments till March 2020 carrying Interest rate of 9.85% .
Long term Foreign Currency Loans from Other than Banks include:		
i.	Loan amounting to Nil (March 31, 2016: Nil, April 01, 2015: ₹26 million) secured against Mortgage of the plant	Fully repaid during the financial year 2015-16. The applicable rate of interest was 5.1%
ii.	₹ 20 million (March 31, 2016 : Nil, April 01, 2015 : Nil) secured against the office equipments for which this loan has been taken	Repayable in monthly installments until December 2021 The applicable rate of interest in respect of this loan is 3.71%
iii.	₹ 15 million (March 31, 2016 : Nil, April 01, 2015 : Nil) secured against the office equipment for which this loan has been taken.	Repayable in monthly installments until October 2020 The applicable rate of interest in respect of this loan is 3.78%
Foreign Currency Finance Lease Liabilities Other than Banks include:		
i.	Finance Leases amounting to ₹574 million (March 31, 2016: 1,104 million, April 01, 2015 : ₹1,297 million) are secured by hypothecation of assets underlying the leases.	₹ 37 million (March 31, 2016: ₹95 million, April 01, 2015 : ₹44 million) repayable in monthly installments. ₹ 222 million (March 31, 2016: 638 million, April 01, 2015 : ₹972 million) repayable in quarterly installments. ₹315 million (March 31, 2016: ₹371 million, April 01, 2015 : ₹281 million) repayable in monthly installments.
		The applicable rate of interest in respect of foreign currency finance lease liabilities other than banks is within a range of 2.5% to 7% (March 31, 2016: 2.95% to 10%, April 01, 2015 : 2.95% to 10.0%).

(b) Terms of repayment for unsecured borrowings:

	Nature of Security	Terms of Repayment
	4.25% Senior Unsecured Bond Due 2018	
	Loan amounting to ₹6,905 million (March 31, 2016: Nil, April 01, 2015: Nil)	The bonds bear interest at a rate of 4.25% payable annually on 20th September of each year and will mature on September 20, 2018 at par. The bonds constitute direct, unsecured and unguaranteed obligations of the Issuer ranking pari passu among each other and with all other unsecured and unsubordinated indebtedness of the Issuer, save for such obligations as may be preferred by mandatory provisions of law.
Unsecured Foreign Currency Term Loans from Banks -		
i.	Loan amounting to Nil (March 31, 2016: ₹440 million, April 01, 2015: ₹827 million). The Company has given a negative lien on the assets purchased out of the said facility.	Fully repaid in January 2017. The applicable rate of interest was 6 month US $ Libor + 200 bps.

(All amounts in ₹ Million, unless otherwise stated)

	Nature of Security	Terms of Repayment
ii.	Loan amounting to ₹12 million (March 31, 2016: ₹27 million, April 01,2015: ₹26 million) against: 1) Negative lien on pledge of shares of operating subsidiaries of Samvardhana Motherson Reflectec Group Holdings Limited (SMR) 2) Negative lien on assets of operating subsidiaries for any loan availed in operating subsidiaries of SMR over and above Euro 30 million on consolidated basis. 3) Undertaking from the Company and Samvardhana Motherson International Limited that they would not reduce their shareholding in SMR below 75%.	Repayable in 16 quarterly installments commenced from January 2016. The applicable rate of interest is 1.5%
iii.	Loan amounting to ₹25 million (March 31, 2016: ₹29 million, April 01, 2015: ₹48 million).	Loan amounting to Nil (March 31, 2016: Nil, April 01, 2015: ₹48 million) fully repaid in February 2016.
		Loan amounting to ₹25 million (March 31, 2016: ₹29 million, April 01, 2015: Nil) Repayable in 55 equal monthly installments (after 5 months moratorium) until February 2021.
iv.	Loan amounting to ₹40 million (March 31, 2016: Nil, April 01, 2015: Nil)	Repayable in equal monthly installments commencing from September 2014. The applicable rate of interest is 5.6%
v.	Loan amounting to ₹36 million (March 31, 2016: Nil, April 01, 2015: Nil)	Applicable interest rate of 5.60%, repayable in monthly installments upto April, 2019.
vi.	Loan amounting to ₹20 million (March 31, 2016: Nil, April 01, 2015: Nil)	Repayable in equal monthly installments commencing from September 2014. The applicable rate of interest is 5.6%
vii.	Loan amounting to ₹2,822 million (March 31, 2016: Nil, April 01, 2015: Nil)	Repayable in July 2018. The applicable rate of interest is Euribor + margin 0.85%
Unsecured Indian Rupee Loans from Other than Banks :		
		Interest free loans of ₹51 million (March 31, 2016: ₹26 million, April 01, 2015: Nil) is repayable in November 2022 entirely in one installment, against which a bank guarantee has been furnished by the company.
Unsecured Foreign Currency Loans from Other than Banks :		
		Loan amounting to Nil (March 31, 2016: ₹1 million, April 01, 2015: ₹3 million) Fully repaid in June 2016 The applicable rate of interest was 2.32%
		Loan amounting to ₹48 million (March 31, 2016: 41 million, April 01, 2015: ₹45 million) with no fixed repayments terms carrying interest rate of 10.5%
		Loan amounting to ₹2 million (March 31, 2016: ₹2 million, April 01, 2015: ₹2 million) interest free with no fixed repayments terms.
		Loan amounting to ₹52 million (March 31, 2016: Nil, April 01, 2015: Nil) repayable in half yearly installments until March 2024.
		Loan amounting to ₹43 million (March 31, 2016: ₹44 million, April 01, 2015: ₹41 million) repayable in 10 yearly installments commencing from 2074.

	Nature of Security	Terms of Repayment
		Loan amounting to ₹62 million (March 31, 2016: ₹35 million, April 01, 2015: ₹30 million) repayable in various installments starting after 1 year to be repaid in 10 years with final maturity in 2028 carrying interest rate of 5%
		Loan amounting to ₹19 million (March 31, 2016: ₹38 million, April 01, 2015 : ₹2 million) repayable in various installments upto February 2023 carrying interest rate of 5%
		Loan amounting to ₹5 million (March 31, 2016: Nil, April 01, 2015 : Nil) repayable in two installments by December 2017 carrying interest rate of 5%
		Loan amounting to ₹7 million (March 31, 2016: Nil, April 01, 2015 : Nil) to be repaid by December 2023 carrying interest rate of 5%
		Loan amounting to ₹103 million (March 31, 2016: ₹119 million, April 01, 2015 : ₹104 million). Interest free loan to be repaid yearly.
		Loan amounting to ₹76 million (March 31, 2016: ₹96 million, April 01, 2015 : ₹127 million) carrying interest rate of 3.95% to be repaid yearly.
		Loan amounting to ₹496 million (March 31, 2016: Nil, April 01, 2015 : Nil). Interest free loan to be repaid until 2025.
	Unsecured Foreign Currency Finance Lease Liabilities Other than Banks include:	₹34 million (March 31, 2016: Nil, April 01, 2015 : Nil) repayable in monthly installments till life of assets purchased.
		The applicable rate of interest is within a range of 0.3"% to 2.6%.
	Unsecured Foreign Currency Loans from Related Party :	Loan amounting to Nil (March 31, 2016: Nil, April 01, 2015: ₹22 million) fully converted into share capital in March 2016.
	Unsecured Indian Rupee Loans from Related Party :	Loan amounting to Nil (March 31, 2016: ₹98 million, April 01, 2015: ₹83 million) fully repaid in financial year 2016-17

Current borrowings:

Nature of Security for secured borrowings:

[1] ₹37 million (March 31, 2016: ₹210 million, April 01, 2015: ₹202 million) repayable on demand, secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.

Nil (March 31, 2016: ₹64 million, April 01, 2015: ₹38 million) secured by first pari-passu charge both present and future on all current assets of SMR Automotive Systems India Limited.

Nil (March 31, 2016: ₹85 million, April 01, 2015: Nil) secured by first pari-passu charge both present and future on all current assets of SMR Automotive Systems India Limited.

[2] ₹1,265 million (March 31, 2016: ₹1,954 million, April 01, 2015: ₹2,062 million) secured by charge on the inventory and receivables of MSSL Wiring System Inc.

Nil (March 31, 2016: Nil, April 01, 2015: ₹2,280 million) secured by first pari passu charge on entire current assets including receivables, both present and future and second pari passu charge over the fixed assets including equitable mortgage of specified properties.

₹32 million (March 31, 2016: ₹1,014 million, April 01, 2015: ₹803 million) secured by first pari passu charge on entire current assets SMP Automotive Systems Mexico S.A. de C.V. including receivables, both present and future and second pari passu charge over the fixed assets of SMP Automotive Systems Mexico S.A. de C.V. including equitable mortgage of specified properties.

Nil (March 31, 2016: ₹139 million, April 01, 2015: ₹147 million) represents carved out ancillary limit as per the Revolving Facility Agreement and is secured by same collateral that secure 41/8% Senior Secured Note 2021.

Nil (March 31, 2016: ₹3,511 million, April 01, 2015: Nil) secured over the inventory and receivables of SMP Automotive Systems Mexico S.A. de C.V.

₹1,125 million (March 31, 2016: ₹123 million, April 01, 2015: Nil) secured over the inventory and receivables of SMP Automotive Interiors (Beijing) Co. Ltd.

Nil (March 31, 2016: Nil, April 01, 2015: ₹142 million) represents carved out ancillary limit as per the Revolving Facility Agreement and is secured by same collateral that secure the 41/8% senior secured note.

[3] Nil (March 31, 2016: ₹600 million, April 01, 2015: Nil) secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.

[4] Nil (March 31, 2016: Nil, April 01, 2015: ₹746 million) secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.

Nil (March 31, 2016: ₹730 million, April 01, 2015: ₹712 million) secured by Corporate Guarantee of SMR Automotive Modules Korea Ltd.

Nil (March 31, 2016: ₹1 million, April 01, 2015: Nil) secured over the inventory and receivables of Motherson Electrical Wires Lanka Private Limited.

₹76 million (March 31, 2016: Nil, April 01, 2015: Nil) secured by bank deposit of SMR Automotive Yancheng Company Ltd.

₹51 million (March 31, 2016: ₹5 million, April 01, 2015: Nil) secured over the inventory and receivables of Motherson Elastomers Pty. Ltd.

The rate of interest in respect of short term borrowing is applicable inter bank lending rate for loan currency / applicable base rate of commercial banks of the country of borrower plus spread of 0.0% to 5.0%

[#] The carrying amounts of financial and non financial assets pledged as security for current and non current borrowings are disclosed in Note 41

18. Other financial liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Non-current			
- Retention Money	57	35	11
- Security Deposit Received	67	68	73
- Recovery against Vehicle Loan	82	100	58
- Derivatives designated as hedges	10	-	-
	216	**203**	**142**
Current			
- Current maturities of long term debt (Refer note 17 (a))	1,832	2,722	1,610
- Current maturities of finance lease obligations (Refer note 17 (a))	243	550	533
- Interest accrued but not due on borrowings	871	592	368
- Unpaid dividends[1]	25	41	15

(All amounts in ₹ Million, unless otherwise stated)

	March 31, 2017	March 31, 2016	April 01, 2015
- Employee benefits payable	8,883	5,988	4,652
- Security deposit received	3	4	10
- Capital payables - (payables relating purchase of fixed assets)	844	603	636
- Derivatives designated as hedges	23	21	-
- Derivatives not designated as hedges	35	13	4
- Advance recovery from employee	71	23	44
- Liability towards buy out of minority shareholders of PKC Group Plc. (Refer note 48)	1,699	-	-
Total	**14,529**	**10,557**	**7,872**

[1] There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

19. Trade Payables

	March 31, 2017	March 31, 2016	April 01, 2015
Total outstanding dues of micro and small enterprises and	113	49	25
Total outstanding dues of creditors other than micro and small enterprises	70,704	50,380	45,769
Trade payable to related parties (refer note 39)	2,352	1,198	607
Total	**73,169**	**51,627**	**46,401**

20. Provisions

	March 31, 2017		March 31, 2016		April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
for warranties	1,021	100	1,149	88	816	83
for litigations / disputes	302	65	160	56	120	97
for onerous contracts	9	-	10	-	9	-
for wealth tax	-		-		2	
for others	70	61	107	1	120	(0)
Total	**1,402**	**226**	**1,426**	**145**	**1,067**	**180**

Warranty

A provision is recognized for expected warranty claims on products sold during the last year, based on past experience of the level of repairs and returns. Due to the very nature of such costs, it is not possible to estimate the uncertainties relating to the outflows of economic benefits.

Onerous Contracts

Onerous contracts represent management's best estimate of the amount by which the expected benefits from certain specific contracts are lower than the unavoidable cost of meeting its obligations under those contracts. The time frame within which such provisions will unwind varies by contract.

Litigations

Provision for litigations/disputes represents claims against the company not acknowledged as debts that are expected to materialise in respect of matters in litigation.

(All amounts in ₹ Million, unless otherwise stated)

Provision for litigation has been created in respect of following matters:

a. Labour claims - ₹64 million (March 31, 2016: ₹51 million, April 01, 2015 : ₹29 million): Amount of the provision relates to claims against the company in respect of overtime payment, salary parity payment, tenure / damages caused by labour related diseases and labour accidents.

b. Civil claims - Nil (March 31, 2016 : ₹6 million, April 01, 2015 : ₹24 million): Amount of the provision relates to claims against the company from suppliers.

c. Tax and other claims - ₹92 million (March 31, 2016 : ₹83 million , April 01, 2015 : ₹100 million): Amount of the provision relates to claims against the company in respect of sales tax, excise and entry tax demands including interest thereon, where applicable, being contested by the Company. It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

d. Litigations Cost - ₹211 million (March 31, 2016 : ₹76 million , April 01, 2015 : ₹64 million): Amount of provision relates to costs to be incurred in respect of compensation claim, on Cross Industries (former shareholder of Peguform Group) for violation of obligations of the share purchase agreement, filed with International Chamber of Commerce.

The group has the following provisions in the books of account:

	Warranty		Onerous Contracts		Litigations	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Opening Balance	1,237	899	10	9	216	217
Additions during the year	275	657	-	-	264	161
Addition on account of acquisition	8	-	-	-	-	-
Utilised / Reversed during the year	(337)	(390)	-	-	(98)	(181)
Exchange translation adjustment	(62)	71	(1)	1	(15)	19
Closing Balance	**1,121**	**1,237**	**9**	**10**	**367**	**216**

21. Employee benefit obligations

	March 31, 2017		March 31, 2016		April 01, 2015	
	Current	Non-current	Current	Non-current	Current	Non-current
Gratuity and pensions	224	889	148	886	128	854
Compensated absences	142	378	141	302	93	246
Longevity / jubilee bonus	-	167	-	153	-	
Restructuring / severance costs	131	-	178	-	-	-
Others	64	509	89	514	44	665
Total	**561**	**1,943**	**556**	**1,855**	**265**	**1,765**

(All amounts in ₹ Million, unless otherwise stated)

The long term defined employee benefits and contribution schemes of the group are as under:

A. Defined Benefit Schemes

Gratuity / Pension Benefits

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(i) Present Value of Defined Benefit Obligation

	For the year ended	
	March 31, 2017	March 31, 2016
Obligations at year beginning	2,317	3,021
Current service cost	288	250
Interest expense	96	78
(Gains) and losses on curtailment and settlement	(54)	-
Amount recognised in profit or loss	**330**	**328**
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption	11	5
Actuarial (gain) / loss from change in financial assumption	69	(58)
Experience (gains)/losses	79	102
Amount recognised in other comprehensive income	**159**	**49**
Effect of Exchange rate change	(68)	171
Payment from plan:		
Benefit payments	(136)	(106)
Settlements *	-	(1,165)
Addition due to transfer of employee	5	19
Obligations at year end	**2,607**	**2,317**

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2017	March 31, 2016
Plan assets at year beginning, at fair value	1,283	2,039
Interest income	72	55
Amount recognised in profit or loss	**72**	**55**
Remeasurements		
Actuarial gain / (loss) from change in demographic assumption	0	(3)
Return on plan assets, excluding amount included in interest income	(6)	(2)
Amount recognised in other comprehensive income	**(6)**	**(5)**
Effect of Exchange rate change	(7)	93
Payment from plan:		
Benefit payments	(78)	(41)
Settlements *	-	(1,188)
Contributions:		
Employers	230	315
Addition due to transfer of employee	-	15
Plan assets at year end, at fair value	**1,494**	**1,283**

* In respect of a subsidiary, the scheme wound up in December 2015 with policies assigned to individual members and henceforth the Company has no further obligations in respect of the scheme.

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2017	March 31, 2016
Present Value of the defined benefit obligations	2,607	2,317
Fair value of the plan assets	1,494	1,283
Amount recognised as Liability	**1,113**	**1,034**

The group has no legal obligation to settle the deficit in the funded plans with an immediate contribution or additional one off contributions.

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2017	March 31, 2016
Current service cost	288	250
Interest Cost	96	78
Interest income	(72)	(55)
Actuarial (gain) / loss	165	54
Net defined benefit obligations cost	**477**	**327**

(v) Investment details of Plan Assets

Companies within the Group operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds. In respect of the companies incorporated in India, 100% of the plan assets are lying in the Gratuity fund administered through Life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. In respect of overseas entity, plans are funded except in South Korea.

The details of investments of plan assets are as follows:

	For the year ended		
	March 31, 2017	March 31, 2016	April 01, 2015
LIC	876	704	496
Deposits with financial institution	618	579	1,543
Total	**1,494**	**1,283**	**2,039**

In respect of LIC plan assets are invested by LIC as per their guidelines and no further details are available with the company. Further in respect of deposits with financial institutions although they are low interest bearing investments but are guaranteed by government.

(vi) Actuarial assumptions:

	March 31, 2017		March 31, 2016		April 01, 2015	
	Indian Entities	Outside India Entities	Indian Entities	Outside India Entities	Indian Entities	Outside India Entities
Discount Rate per annum	7.1%-7.20%	1.70%- 7.90%	7.8%-8%	1.70%- 7.90%	7.75%-8%	1.65%-9.07%
Future salary increases	8.00%	2% - 8%	8.00%	2% - 8%	8.00%	2.5%-7.5%
Pension growth rate	-	1.50% - 2%	-	1.50% - 2%	-	1.75%-2.9%
Mortality table *	-	-	-	-	-	-

* Due to the use of different tables at different locations , this information is not disclosed.

(vii) Expected Contribution to the Fund in the next year

		For the year ended	
		March 31, 2017	March 31, 2016
	Gratuity	382	337

(viii) The following table shows breakdown of the defined benefit obligation and plan assets by country:

Plan Type	March 31 2017			March 31 2016			April 1 2015		
	India	Outside India	Total	India	Outside India	Total	India	Outside India	Total
Present value of obligation	1,146	1,461	**2,607**	876	1,441	**2,317**	679	2,342	**3,021**
Fair value of plan asset	876	618	**1,494**	704	579	**1,283**	496	1,543	**2,039**
Net liability	**270**	**843**	**1,113**	**172**	**862**	**1,034**	**183**	**799**	**982**

(ix) Sensitivity Analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is :

	Change in Assumption		Impact	Increase in Assumption		Impact	Decrease in Assumption	
	31-Mar-17	31-Mar-16		31-Mar-17	31-Mar-16		31-Mar-17	31-Mar-16
Discount Rate per annum	0.50%	0.50%	Decrease by	(127)	(123)	Increase by	139	136
Future salary increases	0.50%-1%	0.50%-1%	Increase by	159	130	Decrease by	(143)	(117)
Pension rate per annum	0.50%	0.50%	Increase by	6	28	Decrease by	(5)	(19)
Life expectancy	1 year	1 year	Increase by	20	24	Decrease by	(19)	(24)

The above sensitivity analyses are based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in balance sheet.

The method and type of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(x) 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 reference to bond yields; if plan assets underperform this yield, this will create a deficit. In respect of companies incorporated in India, 100% of plan assets are lying with LIC under its group gratuity scheme. LIC is a central government monitored entity and its investment norms ensure adequate returns for investors along with surety of plan assets. In respect of overseas subsidiaries in Korea, the amount has been deposited with Industrial Bank of Korea as required by local regulations and is guaranteed by government.

Changes in bond yields	A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.
Inflation risks	In the pension plans, the pensions in payment are not linked to inflation, so this is a less material risk.
Life expectancy	The pension obligation is to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans' liabilities. This is particularly significant where inflationary increases result in higher sensitivity to changes in life expectancy.

The liability recognised in the balance sheet in respect of defined benefit pension/gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries like India, there is no deep market in such bonds, therefore the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

(xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 2-14 years (March 31, 2016: 2-15 years, April 01, 2015: 2-15 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2017	128	142	534	1,217	2,021
Defined benefit obligation (pension & gratuity)					
March 31, 2016	82	115	467	1,256	1,920
Defined benefit obligation (pension & gratuity)					
April 01, 2015	64	70	382	1,314	1,830
Defined benefit obligation (pension & gratuity)					

Defined Contribution Schemes

The Group deposits an amount determined at a fixed percentage of basic pay every month to the State administered Provident Fund, Employee State Insurance (ESI) and Social Insurance for the benefit of the employees. Accordingly, the Group's contribution during the year that has been charged to revenue amounts to ₹8,081 million (March 31, 2016 : ₹7,068 million).

22. (a) Deferred tax liabilities (net)

	March 31, 2017	March 31, 2016	April 01, 2015
Deferred tax liabilities			
Property, Plant and equipment, investment property and intangible assets	3,123	2,100	1,635
Others	1,137	294	266
Total	**4,260**	**2,394**	**1,901**

Movement in Deferred tax liabilities

	Property, Plant and equipment, investment property and intangible assets	Other	Total
As at April 01, 2015	**1,635**	**266**	**1,901**
(Charged) / credited:			
to profit or loss	306	16	**322**
Exchange translation adjustments	159	12	**171**
As at March 31, 2016	**2,100**	**294**	**2,394**
(Charged) / credited:			
to profit or loss	199	233	**432**
Acquisition and other additions	880	623	**1,503**
Exchange translation adjustments	(56)	(13)	**(69)**
As at 31 March 2017	**3,123**	**1,137**	**4,260**

Deferred Tax Assets and Deferred Tax Liabilities have been offset to the extent they relate to the same governing taxation laws.

22 (b) Income tax liability (net)

	March 31, 2017	March 31, 2016
Opening balance	1,031	1,015
Advance tax paid	(7,567)	(4,730)
Current tax payable for the year	8,324	4,991
Acquisition and other additions	343	-
Adjustments for current tax of prior periods	(485)	(253)
Exchange differences	(17)	8
Closing balance	**1,629**	**1,031**

23. Government grants

	March 31, 2017	March 31, 2016
Opening balance	496	527
Grants during the year	1,315	480
Less: Released to profit or loss	(522)	(466)
Add: Exchange differences	(13)	(45)
Closing balance	**1,276**	**496**

	March 31, 2017	March 31, 2016	April 01, 2015
Current portion	48	50	46
Non-current portion	1,228	446	481
Total	**1,276**	**496**	**527**

24. (a) Other non-current liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Advance from Customers	36	46	1,094
Unearned Revenue	1,659	1,160	1,424
Others	813	67	49
Total	**2,508**	**1,273**	**2,567**

(All amounts in ₹ Million, unless otherwise stated)

24. (b) Other current liabilities

	March 31, 2017	March 31, 2016	April 01, 2015
Other current liabilities			
- Income received in advance	4,277	1,799	1,783
- Provision for expenses	2,008	532	679
- Unearned revenue	192	328	174
- Statutory dues payable	5,147	4,172	3,547
- Advances received from customers	1,680	2,258	3,326
- Other payables	2,207	1,879	1,969
Total	**15,511**	**10,968**	**11,478**

25. Revenue from operations

	March 31, 2017	March 31, 2016
Sales of products		
Finished goods		
Within India	64,590	51,981
Outside India	360,686	314,758
Traded goods	2,381	5,528
Total gross sales (including excise duty)	**427,657**	**372,267**
Other operating revenue:		
Sales of services	1,141	969
Scrap sales	301	254
Job work income	23	17
Recovery from customers	1,077	2,354
Total	**2,542**	**3,594**
Other operating income:		
Profit on sale of tangible assets (Net)	-	93
Export incentives	155	101
Liabilities written back to the extent no longer required	220	124
Government grants & subsidies	522	466
Proceeds from insurance company	33	673
Miscellaneous income	1,013	1,070
Interest income	425	239
Foreign exchange gain (net)	182	-
	2,550	**2,766**
Total revenue from operation	**432,749**	**378,627**

26. Other income

	March 31, 2017	March 31, 2016
Dividend income from equity investments designated at fair value through OCI	0	6
Rent (refer note 4 & 43)	173	154
Gain on step up of previously held equity interest in joint ventures	466	-
Profit on sale of investments	780	225
Miscellaneous income	44	7
Total	**1,463**	**392**

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

(All amounts in ₹ Million, unless otherwise stated)

27. Cost of materials consumed

	March 31, 2017	March 31, 2016
Opening stock of raw materials	11,479	9,815
Opening stock of raw materials on acquisition (Refer note 48)	5,522	-
Add : Purchases of raw materials	255,997	221,649
Less: Closing stock of raw materials	17,406	11,479
Add: Exchange adjustment:		
Exchange differences opening stock (gain)/loss	(293)	523
Exchange differences closing stock (loss)/gain	(678)	110
Total	**254,621**	**220,618**

28. Changes in inventory of finished goods, work in progress and stock in trade

	March 31, 2017	March 31, 2016
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	5,411	5,266
Work-in-progress	3,530	3,365
Stock in trade	72	93
Total A	**9,013**	**8,724**
Add: Stock acquired on acquisition (Refer note 48)		
Finished goods	1,656	-
Work-in-progress	521	-
Total B	**2,177**	**-**
Stock at the end of the year:		
Finished goods	6,438	5,411
Work-in-progress	4,252	3,530
Stock in trade	80	72
Total C	**10,770**	**9,013**
Exchange adjustment:		
Exchange differences opening stock (gain)/loss	(116)	444
Exchange differences closing stock (loss)/gain	(372)	23
Total D	**(488)**	**467**
(Increase)/ decrease in stocks (A+B-C+D)	**(68)**	**178**

29. Employee Benefit Expenses

	March 31, 2017	March 31, 2016
Salary , wages & bonus	69,354	61,201
Contribution to provident & other fund (Refer note 21)	8,081	7,079
Gratuity & pension (Refer note 21)	312	273
Leave encashment	6	24
Staff welfare expenses	2,895	2,711
Restructuring/ severance costs	261	285
Total	**80,909**	**71,573**

(All amounts in ₹ Million, unless otherwise stated)

30. Other Expenses

	March 31, 2017	March 31, 2016
Electricity, water and fuel	6,504	6,228
Repairs and Maintenance:		
Machinery	4,031	3,897
Building	1,516	1,333
Others	1,385	1,146
Consumption of stores and spare parts	2,308	2,012
Conversion charges	224	220
Excise Duty expenses [1]	26	14
Lease rent (operating leases) (Refer note 43)	4,543	4,182
Rates & taxes	838	1,041
Insurance	713	583
Foreign exchange losses (Net)	-	305
Donation	91	89
Travelling	2,374	1,786
Freight & forwarding	4,607	4,410
Royalty	328	265
Commission	47	35
Loss on sale of fixed assets (Net)	44	-
Bad debts/advances written off	110	162
Provision for doubtful debts/advances	140	58
Legal & professional expenses (Refer Note (a) below)	4,857	3,325
Expenditure towards corporate social responsibility (CSR) activities (Refer Note: b below)	14	23
Miscellaneous expenses	8,971	9,901
Total	**43,671**	**41,015**

[1] Represents excise duty related to the differences between the closing stock and the opening stock.
Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

30 (a): Payment to Group Auditors:

	March 31, 2017	March 31, 2016
As Auditor:		
Audit fees (including limited review)	47	43
Other services	50	6
Reimbursement of expenses	5	5
Total	**102**	**54**

30 (b): Corporate social responsibility expenditure

	March 31, 2017	March 31, 2016
(i) Contribution to Swarn Lata Motherson Trust	10	-
(ii) Contribution for the promotion of Education & other Initiatives	2	21
(iii) Contribution towards welfare of the society	1	2
(iv) Administrative cost for reviewing CSR structure	1	-
	14	**23**
Amount required to be spent as per Section 135 of the Act	154	136
Amount spent during the year on		
(i) Construction/acquisition of asset	**-**	**-**
(ii) Purpose other than (i) above	14	23
Total	**14**	**23**

(All amounts in ₹ Million, unless otherwise stated)

31. Finance Cost

	March 31, 2017	March 31, 2016
Interest on long term borrowings	2,450	1,702
Other borrowing costs	1,092	762
Commitment charges on borrowings	138	135
Others	69	851
Total	**3,749**	**3,450**

32. Depreciation and Amortization Expense

	March 31, 2017	March 31, 2016
Depreciation on Tangible assets[1a & 1b]	10,352	10,606
Amortization on Intangible assets[2]	219	256
Depreciation on Investment Property	27	17
Less: Capitalised during the year [1a]	(7)	(7)
Total	**10,591**	**10,872**

[1a] Depreciation on assets used for creation of self generated assets. (Refer Note. 3)

[1b] Depreciation includes Impairment. In respect of one of its step down subsidiary, based on the review of future business plans, it has estimated the value in use/ recoverable value to be lower than the carrying value of certain fixed assets and consequently recognised an impairment loss amounting to Nil (March 31, 2016 : ₹1,343, million).

[2] Amortisation includes Impairment. The management, based on the review of future business plans, has estimated the value in use/ recoverable value to be lower than the carrying value of certain fixed assets and consequently recognised an impairment loss amounting to Nil (March 31, 2016 : ₹3 million).

33. Exceptional items (income)/ expense [1]

	March 31, 2017	March 31, 2016
Acquisition cost in respect of PKC Group Plc.	974	-
Total	**974**	**-**
[1]Exceptional items are in the nature of following expenses:		
Legal & Professional expenses	595	-
Miscellaneous expenses	379	-

34. Income tax expense

(a) Income tax expense

	March 31, 2017	March 31, 2016
Current tax		
Current tax on profits for the year	9,082	6,864
Adjustments for current tax of prior periods	(455)	(385)
Total current tax expense	**8,627**	**6,479**
Deferred tax		
Decrease / (increase) in deferred tax assets	44	(1,609)
(Decrease) / increase in deferred tax liabilities	432	322
Total deferred tax expense / (benefit)	**476**	**(1,287)**
Income tax expense	**9,103**	**5,192**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	March 31, 2017	March 31, 2016
Profit from continuing operations before income tax expense	30,827	22,929
Tax at the India's tax rate of 34.608%	**10,669**	**7,935**
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	72	274
Withholding Taxes	162	201
Utilisation of previously unrecognised tax loses	(682)	(1,432)
Adjustments for current tax of prior periods	(455)	(385)
Tax effect of losses on which deferred tax assets not recognised	1,056	641
Difference in overseas tax rates	(1,361)	(1,518)
Other adjustments	(358)	(524)
Income tax expense	**9,103**	**5,192**

(c) Tax losses

	March 31, 2017	March 31, 2016
Unused tax losses for which no deferred tax asset has been recognised:	**3,053**	**1,853**

(d) Certain subsidiaries of the group have undistributed retained earnings, which if distributed out as dividend would result in tax liability of group. In view of the group, no profit will be distributed by way of dividend in immediate future hence no deferred tax liabilities has been recognised on such undistributed retained earnings.

35. Earnings per share

	March 31, 2017	March 31, 2016
a) Basic		
Net profit after tax	15,543	12,923
Equity Shares outstanding at the beginning of the year	1,322,879,040	881,919,360
Add: Bonus shares issued by capitalisation of securities premium during the year		440,959,680
Add: Weighted average number of shares issued during the year	43,722,097	
Weighted Average number of equity shares used to compute basic earnings per share	1,366,601,137	1,322,879,040
Basic Earnings (in Rupees) Per Share of ₹1/- each. (March 31, 2016 : ₹1/- each)	11.37	9.77
b) Diluted		
Net profit after tax available for equity Shareholders	15,543	12,923
Weighted Average number of Equity Shares of ₹1 each (March 31, 2016 : ₹1 each) outstanding at the end of the year	1,366,601,137	1,322,879,040
Diluted Earnings (in Rupees) Per Share of ₹1 each. (March 31, 2016 : ₹1 each)	11.37	9.77

The company does not have any potential equity shares and thus, weighted average number of shares for computation of basic EPS and diluted EPS remains same.

(All amounts in ₹ Million, unless otherwise stated)

36. Fair value measurements

Financial instruments by category

	March 31, 2017			March 31, 2016			April 01, 2015		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets									
Investments	-	692	-	-	597	-	-	261	-
Trade receivables	-	-	72,597	-	-	50,876	-	-	39,443
Loans	-	-	710	-	-	384	-	-	436
Cash and cash equivalents	-	-	48,772	-	-	17,656	-	-	17,429
Bank balances other than (iii) above	-	-	94	-	-	61	-	-	38
Derivative financial assets	444	313	-	134	-	-	112	-	-
Other financial assets	-	-	5,923	-	-	4,704	-	-	5,346
Total financial assets	**444**	**1,005**	**128,096**	**134**	**597**	**73,681**	**112**	**261**	**62,692**
Financial Liabilities									
Borrowings including current maturities	-	-	103,493	-	-	60,687	-	-	48,520
Derivative financial liabilities	68	-	-	34	-	-	4	-	-
Trade payable	-	-	73,169	-	-	51,627	-	-	46,401
Other financial liabilities	-	-	12,602	-	-	7,454	-	-	5,867
Total financial liabilities	**68**	**-**	**189,264**	**34**	**-**	**119,768**	**4**	**-**	**100,788**

i. Fair value hierarchy

Financial assets and liabilities measured at fair value-recurring fair value measurements as at March 31, 2017.

	Notes	Level1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a),6(b)	16	-	-	16
Unquoted equity investments	6(a),6(b)	-	-	676	676
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	71	-	71
Cross currency interest rate swap	9	-	242	-	242
Derivatives not designated as hedges					
Cross currency interest rate swap	9	-	-	67	67
Interest rate derivatives		-	-	377	377
Total		**16**	**313**	**1,120**	**1,449**

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2016.

	Notes	Level1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a), 6(b)	15	-	-	15
Unquoted equity investments	6(a), 6(b)	-	-	582	582
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	-	-	-
Derivatives not designated as hedges					
Foreign exchange forward contracts	9	-	-	134	134
Total		**15**	**-**	**716**	**731**

Financial assets and liabilities measured at fair value-recurring fair value measurements as at April 01, 2015.

	Notes	Level1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a), 6(b)	16	-	-	16
Unquoted equity investments	6(a), 6(b)	-	-	245	245
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	-	-	-
Derivatives not designated as hedges					
Foreign exchange forward contracts	9	-	-	112	112
Total		**16**	**-**	**357**	**373**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	Level1	Level 2	Level 3	Total
At March 31, 2017				
Financial liabilities				
Borrowings [1 & 2]	62,222	-	53,990	116,212
Total financial liabilities	**62,222**	**-**	**53,990**	**116,212**
At March 31, 2016				
Financial liabilities				
Borrowings [1]	43,531	-	16,536	60,067
Total financial liabilities	**43,531**	**-**	**16,536**	**60,067**
At April 01, 2015				
Financial liabilities				
Borrowings	34,332	-	15,962	50,294
Total financial liabilities	**34,332**	**-**	**15,962**	**50,294**

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables, Loans, liabilities and other current receivables and liabilities, their fair values are equal to their carrying amounts.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

[1] Includes 3.7% senior secured notes due 2025 amounting to EUR 100 million, (₹ 6,776 million (March 31, 2016: ₹7,379 million)) which are held by limited set of investors and are not very actively traded on the stock exchange, as a result fair value of these notes is based on computed prices and hence fall in level 3 hierarchy.

[2] Includes loan amounting to ₹15,808 million which was availed close to year end date for acquisition of PKC Group Plc. and represent fair value of loan as at said date and hence fall in level 3 hierarchy.

ii. Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.
- the fair value of forward foreign exchange contracts and principal swap is determined using forward exchange rates at the balance sheet date
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

iii. Fair value measurements using significant unobservable inputs (level 3)

	Unquoted Equity securities
As at April 01, 2015	
Carrying value	245
Addition	332
Disposals	(13)
Exchange gain / (loss)	16
Gains / (losses) recognised in other comprehensive income	2
As at March 31, 2016	**582**
Addition / Acquisitions	466
Disposals	(419)
Exchange gain / (loss)	28
Gains / (losses) recognised in other comprehensive income	19
As at March 31, 2017	**676**

iv. Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2017		March 31, 2016		April 01, 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets						
Borrowings	103,493	116,213	60,687	60,067	48,520	50,294
Total financial assets	**103,493**	**116,213**	**60,687**	**60,067**	**48,520**	**50,294**

v. Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (ii) above for the valuation techniques adopted:

Particulars	Fair value as at		
	March 31, 2017	March 31, 2016	April 01, 2015
Unquoted equity shares	676	582	245
Significant unobservable inputs#			
Earnings growth rate	3%	3%-5%	3%-5%
Risk adjusted discount rate	15%	13%-15%	13%-15%
Impact of change in risk adjusted discount rate*			
Decrease in discount rate by 0.50%	10	12	12
Increase in discount rate by 0.50%	(9)	(11)	(10)
Impact of change in earning growth rate*			
Decrease in growth rate by 0.50%	(6)	(7)	(7)
Increase in growth rate by 0.50%	7	8	8

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

* Holding all the other variable constant. For investment acquired during the year fair valuation was not performed as at reporting date since the acquisition is made close to reporting period and thus transaction value represents fair value, hence sensitivity analysis has not been considered.

37. Financial risk management

The Group, as an internationally active supplier for the automobile industry expose its business and products to various market risks, credit risk and liquidity risk. The group's global presence and decentralised management structure with the main activities in the plants make necessary organised risk management system. The regulations, instructions, implementation rules and in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks. Below notes explain the sources of risk in which the group is exposed to and how it manages the risk.

Market risk:

a. Price risk:

Fluctuation in commodity price in global market affects directly and indirectly the price of raw material and components used by the group in its various products segment. Pricing pressure from major OEMs to give price cuts and inability to pass on the increased cost to customers may also affect the profitability of the company. The group has set up Global Sourcing Procurement (GSP) at Sharjah which gives leverage of bulk buying and helps in controlling prices to a certain extent.

The key raw material for the group's wiring harness business is copper. There is substantial fluctuations in prices of copper. The group has arrangements with its major customers for passing on the price impact. The group has also entered into forward contracts to hedge copper prices at the behest of the customers .

The major raw materials used by Polymer Division of the group are polypropylenes, polycarbonates and various grades of nylons and resins. The group is having arrangement with major customers for actualization of raw material price variations periodically. Motherson Polymer Solutions has been established with a view of taking leverage on group's bulk consumption on major grades. The Company will further achieve operational synergies through the horizontal and vertical integration of SMP's operations and products, by sourcing raw materials, inputs like wiring harnesses and smaller plastic parts etc. from its group companies where possible. The setting up of GSP further strengthens the procurement function.

The main inputs for the group's mirror business are glass actuators, powerfolds, glass, electrochromatic glass ("EC glass"), wiring harnesses, electronics, electrical parts, die casting, plastic parts and resins. The company has arrangements with its major customers for passing on the price impact.

The group is regularly taking initiatives like VA-VE (value Addition , value engineering) to reduce its raw material costs to meet targets set up by the customers for cost downs. In respect of customer nominated parts , the company has back to back arrangements for cost savings with its suppliers ."

b. Foreign currency risk:

Foreign currency risk arise from monetary receivables and obligations expressed in a currency other than functional currency of each entity in the Group. The Group has operations in 33 countries, largely catering domestic customers in the country of its operation. Primarily the Group is catering to customers in their local currency resulting in natural hedge. However in certain geographies wherein there are certain foreign currency expenditure, the Group companies obtain hedge against those material foreign currency risk exposures which aligns to group's risk management policies. The Group's major exposure in foreign currency is in respect of borrowings which is availed based on consideration of optimisation of overall cost of borrowing. The Group has entered into fixed cross currency interest swap to hedge said foreign currency exposure.

The derivative instruments and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Amounts in million

Particulars/ Purpose	Currency	March 31, 2017	March 31, 2016	April 01, 2015
Hedge of external commercial borrowings and long term loans (Buy)*	USD : INR	USD 0; INR 32	USD 2; INR 80	USD 3; INR 163
Forward Contract (Buy)	USD : INR	USD 3; INR 167	-	-
	USD : EUR	USD 11 ; INR 669	USD 25; INR 1,699	USD 3; INR 156
	HUF : EUR	HUF 2,208; INR 476	HUF 7,651; INR 1,809	HUF 7,588 ; INR 1686
	USD : AUD	-	USD 1 ; INR 93	-
	EUR : INR	-	-	EUR 8 ; INR 512
	MXP : USD	MXP 1,681; INR 5,472	MXP 121 ; INR 486	-
Forward Contract (Sell)	MXP : USD	MXP 58; INR 200	-	-
	USD : AUD	-	USD 1 ; INR 92	-
	EUR : KRW	EUR 5 ; INR 355	EUR 10 ; INR 776	-
	EUR : INR	-	-	EUR 2 ; INR 147
	USD : EUR	-	-	USD 2 ; INR 155
	HUF : EUR	-	-	HUF 7,603 ; INR 1,613
Cross currency swap	USD : Euro	USD 80; Euro 74	-	-
	USD : Euro	USD 175; Euro 158	-	-
	INR : Euro	INR 5,750; Euro 81	-	-
Trade Payable (Buy)	USD : INR	-	USD 0 ; INR 33	-
Interst Rate Swaps	USD : INR	-	USD 11 ; INR 714	-

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

(ii) Particular of unhedged foreign exposure as at the reporting date

The group exposure to foreign currency risk at the end of the reporting period expressed in ₹, are as follows:

	March 31, 2017	March 31, 2016	April 01, 2015
	(Payable) / Receivable		
AED	(17)	(90)	(47)
AUD	(60)	42	110
BRL	836	-	-
CAD	4	-	-
CNY	1,622	35	25
CZK	(0)	(1)	(294)
CHF	(6)	-	-
DKK	(3)	-	-
EUR	(1,684)	(2,276)	2,248
GBP	512	675	226
HKD	4	-	-
HUF	(642)	(74)	(61)
INR	1	(30)	128
JPY	(1,049)	(1,159)	(511)
MXP	(132)	177	110
PLN	(135)	-	-

(All amounts in ₹ Million, unless otherwise stated)

	March 31, 2017	March 31, 2016	April 01, 2015
	(Payable) / Receivable		
RUS	51	-	-
RSD	(24)	-	-
SEK	(154)	(8)	-
SGD	(7)	(3)	(3)
THB	(39)	(40)	(15)
USD	(21,529)	(3,653)	(2,551)
Net exposure	**(22,451)**	**(6,405)**	**(635)**

Sensitivity

Due to vary nature of our contracts with major OEMs any significant change in foreign currency on imported purchase are passed on to customers. In respect of borrowings the management expects natural hedge as earnings in foreign currency will be utilised for repayment of borrowings and thus no material impacts.

Amounts appearing as zero "0" are below the rounding off norm adopted by the Company

c. Interest rate risk:

Interest rate is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligation at floating interest rates.

The Company's approximately 85% (previous year 95%) of long term debt (i.e. more than 80% or gross debt) is borrowed at a fixed rate of interest in a range of 3.7% p.a. to 4.875% p.a.

The exposure of the Group's borrowing to interest rate changes at the end of reporting period are as follows:

	March 31, 2017	March 31, 2016	April 01, 2015
Variable rate borrowings	21,293	12,051	9,591
Fixed rate borrowings	82,200	48,636	38,929
Total borrowings	**103,493**	**60,687**	**48,520**

Profit / loss is sensitive to higher / lower interest expense from borrowings as a results of changes in interest rates. Holding all other variable constant, the following table demonstrates the sensitivity to a reasonably possible change in interest rate on floating portion of borrowings.

		Impact on profit	
		March 31, 2017	March 31, 2016
Variable rate borrowings	Interest rate increase by 0.5%	(106)	(60)
	Interest rate decrease by 0.5%	106	60

Credit risk:

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Group and arises principally from the Group's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.

The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. The Group has deposited liquid funds at various banking institutions. Primary banking institutions are major international banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due over past years.

Liquidity risk:

The liquidity risk encompasses any risk that the Group cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating entities of the group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements on the basis of future cashflow projections to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities / overdraft facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(a) Financing arrangements

The Group has access to the following undrawn borrowing facilities, which are in nature of working capital loans, at the end of the reporting period.

	March 31, 2017	March 31, 2016	April 01, 2015
Floating rate	34,259	29,569	13,688

(b) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities

Contractual maturities of financial liabilities

Year Ending March 31, 2017	Less than 1 Year	Between 1 and 5 years	More than 5 Year	Total
Non-derivatives				
Borrowings	12,194	97,276	8,407	**117,877**
Obligation under finance lease	243	365	-	**608**
Trade payables	73,169	-	-	**73,169**
other financial liabilities	12,396	206	-	**12,602**
Total non-derivative liabilities	**98,002**	**97,847**	**8,407**	**204,256**
Derivatives (net settled)				
Foreign exchange forward contracts	58	10	-	**68**
Total derivative liabilities	**58**	**10**	**-**	**68**

Year Ending March 31, 2016	Less than 1 Year	Between 1 and 5 years	More than 5 Year	Total
Non-derivatives				
Borrowings	14,246	10,177	46,063	**70,486**
Obligation under finance lease	550	554	-	**1,104**
Trade payables	51,627	-	-	**51,627**
other financial liabilities	7,251	203	-	**7,454**
Total non-derivative liabilities	**73,674**	**10,934**	**46,063**	**130,671**
Derivatives (net settled)				
Foreign exchange forward contracts	34	-	-	**34**
Total derivative liabilities	**34**	**-**	**-**	**34**

(All amounts in ₹ Million, unless otherwise stated)

Year Ending April 01, 2015	Less than 1 Year	Between 1 and 5 years	More than 5 Year	Total
Non-derivatives				**-**
Borrowings	10,902	10,691	34,621	**56,214**
Obligation under finance lease	533	764	-	**1,297**
Trade payables	46,401	-	-	**46,401**
other financial liabilities	5,725	142	-	**5,867**
Total non-derivative liabilities	**63,561**	**11,597**	**34,621**	**109,779**
Derivatives (net settled)				
Foreign exchange forward contracts	4	-	-	**4**
Total derivative liabilities	**4**	**-**	**-**	**4**

Impact of hedging activities

a. Disclosure of effects of hedge accounting on financial position

March 31, 2017

Type of hedge and risks	Nominal value		Carrying amount of hedging instruments		Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash flow hedge									
(i) Foreign exchange forward contracts	790	765	25		Apr'17 - Mar'18	1:1	USD:MXN - 19:7905	25	(25)
	21	22		1	Apr'17 - May'17	1:1	USD:MXN - 18.3697	(1)	1
	494	476	18		Apr'17 - Jun'17	1:1	EUR:HUF - 319.9443	18	(18)
	262	248	14		Apr'17 - Jul'17	1:1	USD:MXN-19:9232	14	(14)
	669	701		32	Apr'17 - Mar'18	1:1	USD:EUR - 0.8826	(32)	32
	202	188	14		Apr'17 - May'17	1:1	USD:MXN - 20.1533	14	(14)
(ii) Cross currency interest rate swap	11,151	10,909	242		Dec 2021	1:1	EUR:USD - 1.1077	242	(242)

March 31, 2016

Type of hedge and risks	Nominal value		Carrying amount of hedging instruments		Maturity date	Hedge ratio	Weighted average strike price / rate	Changes in fair value of hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash flow hedge and Foreign exchange risk	265	286		21	Apr'16-Jun'16	1:1	USD:MXN : 15.9125	(9)	9

38. Capital management

(a) Risk management

The group's objectives when managing capital are to safeguard their ability to continue as a going concern and also their ability to fund inorganic growth, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the group monitors NET Debt to EBITDA ratio: Net debt (total borrowings net of cash and cash equivalents) divided by EBITDA (Profit before tax plus depreciation and amortization expense plus finance costs plus exceptional expense).

The group's strategy is to ensure that the Net Debt to EBITDA is managed at an optimal level considering the above factors. The Net Debt to EBITDA ratios were as follows:

	March 31, 2017	March 31, 2016
Net Debt	54,653	43,011
EBITDA	44,310	35,874
Net Debt to EBITDA	**1.23**	**1.20**

In above table EBITDA does not include EBIDTA of PKC Group Plc. which was acquired on March 27, 2017 (Refer note 48) whereas net debt is including PKC's net debt.

(i) Loan covenants

Under the terms of the major borrowing facilities, the group is required to comply with certain financial covenants and the group has complied with those covenants throughout the reporting periods.

(b) Dividends

	March 31, 2017	March 31, 2016
On Equity shares of ₹1 each		
Final dividend		
Amount of dividend paid	-	2,646
Dividend per equity share	-	₹3.00 per share
Interim Dividend		
Amount of dividend paid	-	3,307
Dividend per equity share	-	₹2.50 per share

39. Related Party Disclosures

I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

a. Entities with joint control over the entity / (Promoters)

	Place of incorporation	Ownership interest		
		March 31, 2017	March 31, 2016	April 01, 2015
Name				
Samvardhana Motherson International Limited	India	34.81%	36.93%	36.92%
Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.29%	25.29%

(All amounts in ₹ Million, unless otherwise stated)

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 39 (I) above:

(a) Key management personnel compensation

	March 31, 2017	March 31, 2016
Short-term employee benefits	64	38
Post-employment benefits	32	25
Long-term employee benefits	14	12
Directors commission/sitting fees	20	15
Total compensation	**130**	**90**

(b) Transactions with related parties

S. No.	Particulars	Associate companies		Joint Ventures		Key management personnel		Joint control over the entity		Other related parties	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
1	Sale of products	-	0	3,201	2,128	-	-	76	504	182	130
2	Sales of services	-	-	417	374	-	-	5	11	70	26
3	Rent income	-	2	33	37	-	-	-	-	54	28
4	Sale of fixed assets	-	-	-	-	-	-	-	-	16	-
5	Purchase of goods	-	0	4,615	1,581	-	-	5,290	894	2,313	2,024
6	Purchase of fixed assets	-	-	-	-	-	-	103	164	1,094	934
7	Purchase of services	-	63	6	32	-	-	94	87	1,726	1,366
8	Rent expense	2	3	-	-	5	5	3	4	573	460
9	Reimbursement made#	-	2	0	0	0	0	1	5	86	72
10	Reimbursement received	-	0	1	15	-	-	4	4	15	7
11	Shares issued during the year	-	-	-	-	-	-	5,631	-	-	104
12	Investments redeemed/ sale of shares	-	-	-	-	-	-	-	-	45	13
13	Royalty	-	-	-	-	-	-	329	264	0	7
14	Dividend paid	-	-	-	-	-	180	-	3,703	2	17
15	Dividend received	-	-	172	258	-	-	-	-	-	6
16	Capital received from minority	-	-	-	-	-	-	-	-	-	265

(c) Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Associate companies			Joint Venture			Key Management personnel			Joint control over the entity			Other related parties		
		March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
1	Trade Payable	1	0	14	358	185	4	14	-	-	1,255	367	220	724	646	369
2	Trade Receivable	-	-	0	622	250	279	-	-	-	2	38	54	104	50	30
3	Capital advances	-	-	-	-	-	-	-	-	-	-	-	-	5	-	16
4	Advances recoverable#	-	-	-	0	2	5	-	-	-	-	-	-	329	309	388
5	Advances from customer#	-	-	-	0	0	0	-	-	-	(0)	(0)	-	(0)	-	-

(All amounts in ₹ Million, unless otherwise stated)

(d) Loans & advances to / from related parties

S. No.	Particulars	Associate companies		Joint Venture		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
i.	**Security deposits given:**										
	Beginning of the year	-	-	-	-	-	-	-	-	411	313
	Security deposit given	-	-	-	-	-	-	-	-	34	104
	Security deposits received back	-	-	-	-	-	-	-	-	(11)	(7)
	End of the year	-	-	-	-	-	-	-	-	433	411
ii.	**Security Deposit Received:**										
	Beginning of the year	-	1	36	42	-	-	-	-	20	26
	Security deposits received	-	-	-	-	-	-	-	-	-	-
	Security deposits repaid	-	(1)	(1)	6	-	-	-	-	(4)	(6)
	End of the year	-	-	35	36	-	-	-	-	16	20
iii.	**Loans given:**										
	Beginning of the year	-	-	51	68	-	-	-	-	213	-
	Loans given	-	-	-	35	-	-	-	-	414	416
	Interest income	-	-	5	4	-	-	-	-	10	10
	Loans received back	-	-	(51)	(52)	-	-	-	-	(190)	(203)
	Interest received	-	-	(5)	(4)	-	-	-	-	-	(10)
	End of the year	-	-	-	51	-	-	-	-	447	213
iv.	**Loans taken:**										
	Beginning of the year	-	-	-	-	-	-	98	83	-	22
	Loans received	-	-	-	-	-	-	-	15	30	-
	Interest expense	-	-	-	-	-	-	7	7	-	1
	Loans repaid	-	-	-	-	-	-	(98)	-	(30)	(22)
	Interest paid	-	-	-	-	-	-	(7)	(7)	-	1
	End of the year	-	-	-	-	-	-	-	98	-	-

* Rent of ₹5 million (March 31, 2016: ₹5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of Nil (March 31, 2016 : ₹180 million) paid to Mr. V. C. Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, Ms. Neelu Mehra, Ms. Geeta Soni, Mr. Pankaj Mital, Mr. G.N. Gauba, and Ms. Geeta Mathur

Amounts are below the rounding off norm adopted by the Company.

40. Segment Information:

(a) Description of segments and principal activities

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker "CODM" of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments examines the group's performance categorized in to following segments:

Segments	Description
MSSL Standalone	Represents standalone operations of Motherson Sumi Systems Limited, engaged mainly in the business of manufacturing and trading of automobile parts for commercial and passenger vehicles.
SMR	Represents Samvardhana Motherson Reflectec Group Holdings Limited including its subsidiaries excluding Samvardhana Motherson Innovative Autosystems Holding Company BV, Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V., SMP Automotive Systems Alabama Inc. and plant at Kecskemet of SMR Automotive Mirror Technology Hungry Bt.. and is engaged in development, manufacture and supply of rear view mirrors and drive assistance systems.
SMP	Represents Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (an overseas subsidiary of the Company) including its subsidiaries and excludes SMR defined above. SMP supplies plastic parts and system modules for vehicle interiors and exteriors.
PKC	Represents PKC Group Plc including its subsidiaries, acquired on March 27, 2017. PKC is engaged in designing, manufacturing and integrating electrical distribution systems, electronics and related components for commercial vehicle industries, rolling stock manufacturers and other related segments. (refer note 48)
Others	Comprise other subsidiaries of the Company (excluding SMR and SMP) that are below the thresholds for separate reporting as operating segments.

The CODM primarily uses a measure of revenue from operation and earnings before interest, tax, depreciation, amortisation and exceptional item (EBITDA) to assess the performance of the operating segments on monthly basis.

Unallocated:

Revenue, expenses, assets and liabilities have been identified to a segment on the basis of relationship to operating activities of the segment. Assets and liabilities which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed under unallocated.

Inter Segment transfer:

Inter Segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

(b) Revenue from operation

Interest income, rental income, dividend income, income recognised on sales of assets and investment are excluded from segment revenue. Transactions between segments are carried out at arm's length and are eliminated on consolidation. The segment revenue is measured in the same way as in the statement of profit or loss.

Revenue from operation (excludes interest income & Foreign exchange gain)	March 31, 2017	March 31, 2016
MSSL Standalone	70,101	58,650
SMR	118,694	102,895
SMP	221,008	190,840
Others	34,030	35,884
Total	**443,833**	**388,269**
Less: Intersegment	11,691	9,881
Total	**432,142**	**378,388**

(All amounts in ₹ Million, unless otherwise stated)

Revenue from operation (excludes interest income & Foreign exchange gain)	March 31, 2017	March 31, 2016
Unallocated:		
Interest income	425	239
Exchange gain / (loss)	182	-
Total revenue as per profit and loss statement	**432,749**	**378,627**
Revenue from external customers		
India	67,991	57,939
Germany	130,439	117,188
Spain	55,165	56,743
USA	43,438	37,574
Others*	135,109	108,944
	432,142	**378,388**

* None of the other countries contribute materially to the revenue of the group.

(c) EBITDA

	March 31, 2017	March 31, 2016
MSSL Standalone	13,829	12,015
SMR	12,662	10,627
SMP	14,515	10,807
Others	3,741	3,800
Total	44,747	37,249
Less: Intersegment	437	1,375
Total	**44,310**	**35,874**
Add: unallocated income / (expenses)		
Depreciation	(10,591)	(10,872)
Finance costs	(3,749)	(3,450)
Company's share in net profit / (loss) of associates and joint ventures accounted for using the equity method	1,831	1,377
Exceptional items income/ (expense)	(974)	-
Income tax expense	(9,103)	(5,192)
Profit after tax	**21,724**	**17,737**

(d) Segment Assets

Segment assets are allocated based on the operations of the segment and the physical location of the asset. Assets not used directly in operations of the segment like investments, other common assets are reported as unallocated assets.

	March 31, 2017	March 31, 2016	April 01, 2015
MSSL Standalone	36,482	30,856	30,457
SMR	43,566	40,418	37,266
SMP	137,979	98,449	75,322
PKC	65,675	-	-
Others	24,166	20,072	20,877
Total	**307,868**	**189,795**	**163,922**
Less: Intersegment	2,126	2,124	1,936

	March 31, 2017	March 31, 2016	April 01, 2015
Unallocated:			
Deferred Tax	5,024	3,604	1,854
Advance Tax	397	336	31
Other corporate assets and investments	12,534	7,429	5,999
Total assets as per balance sheet	**323,697**	**199,040**	**169,870**

Total of non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets broken down by location of the assets, is shown below

	March 31, 2017	March 31, 2016	April 01, 2015
India	16,777	16,206	16,286
Germany	24,561	24,253	22,822
Spain	8,491	4,591	4,085
USA	16,660	6,943	4,987
Others*	79,554	35,820	26,781
	146,043	**87,813**	**74,961**

* None of the other countries contribute materially to the non-current assets other than financial instruments, investments accounted for using equity methods and deferred tax assets of the group.

(e) Segment liabilities

Segment liabilities are allocated based on the operations of the segment. Liabilities not used directly in operations of the segment common liabilities like borrowings are reported as unallocated liabilities.

	March 31, 2017	March 31, 2016	April 01, 2015
MSSL Standalone	24,291	13,935	13,088
SMR	22,864	20,359	19,452
SMP	56,654	41,965	35,413
PKC	24,878	-	-
Others	15,533	9,549	12,913
Total	**144,220**	**85,808**	**80,866**
Less: Intersegment	2,869	2,239	1,809
Deferred Tax	4,260	2,394	1,901
Advance Tax	1,629	1,031	1,015
Other common / unallocated liabilities	71,408	52,952	45,604
Total	**218,648**	**139,946**	**127,577**

Additional information:

Earlier management used to review operations of the Group based on risk and return that was further based on nature of product and services categorized in to Auto and Non-auto segment whereas now CODM reviews operations of the Group as per following operating segments namely MSSL Standalone, SMR, SMP, PKC and Others. Accordingly, the Company has revised the segment disclosures in the current year and restated comparative figures for the previous periods.

41. Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are

	March 31, 2017	March 31, 2016	April 01, 2015
Current:			
Financial assets			
First charge			
Floating charge			
Cash and cash equivalents	31,088	6,239	4,893
Inventories	14,981	11,865	11,473
Receivables	17,584	23,140	15,182
Other current assets	5,836	4,009	4,721
Total current assets pledged as security	**69,489**	**45,253**	**36,269**
Non Current:			
First charge			
Freehold land	3,589	3,906	2,696
Buildings	14,471	15,035	7,184
Plant & Machinery	29,018	24,048	16,630
PPE under finance lease	693	787	649
Investment Property	592	233	228
Other non current assets	1,459	1,104	153
Total non current assets pledged as security	**49,822**	**45,113**	**27,540**
Total assets pledged as security	**119,311**	**90,366**	**63,809**

Further, loan amounting to ₹15,808 million has been obtained against security of pledge of shares of an overseas subsidiary company which has been eliminated on consolidation. The consolidated net assets of the subsidiary accounted for in these financial statements amount to ₹43,494 million.

42. Capital and Other Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2017	March 31, 2016	April 01, 2015
Property, plant and equipment			
Estimated value of contracts in capital account remaining to be executed, (Net of Advances of ₹2,014 million (March 31, 2016: ₹1,109 million, April 1, 2015: ₹4,716 million))	4,244	3,835	3,990
Investment Property			
Estimated value of purchase consideration outstanding, (Net of Advances of ₹95 million (March 31, 2016: ₹95 million, April 1, 2015: ₹10 million))	12	12	97
Total	**4,256**	**3,847**	**4,087**
Other Commitments			
Bank Guarantee	595	29	31
Others	85	21	20

Above commitments on property, plant and equipment includes group share of commitments of associates and joint ventures entities.

For capital expenditure contracted relating to associates and joint ventures refer to note 45.

(All amounts in ₹ Million, unless otherwise stated)

43. Leases

i. Finance Leases:

Assets acquired on finance lease and hire purchase contract comprise property plant and equipment. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clause.

The minimum lease payments and present value of minimum lease payments are as follows:

	Minimum Lease Payments			Present value of Minimum lease payments		
	March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Not later than one year	263	589	583	242	551	534
Later than 1 year and not later than 5 years	345	530	729	322	483	685
Later than 5 years	46	76	87	44	70	78
Total	**654**	**1,195**	**1,399**	**608**	**1,104**	**1,297**
Less: Finance Charges	46	91	102			
Present value of minimum lease payment	**608**	**1,104**	**1,297**			
Disclosed under:						
Other long term borrowings (Refer Note 17)	608	1,104	1,297			

ii. Operating Leases:

The Company has significant operating leases for premises. These lease arrangements range for a period between 11 months and 10 years, which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The Company has entered into some sub-leases and all such subleases are cancellable and are for a period of 11 months, with an option of renewal on mutually agreeable terms.

The Company has taken various commercial premises, motor vehicles, plant and machinery under non-cancellable operating leases. The future minimum lease payments are as follows:

	March 31, 2017	March 31, 2016	April 01, 2015
Payable not later than 1 year	2,595	2,176	716
Payable later than 1 year and not later than 5 years	5,211	3,888	1,591
Payable later than 5 years	6,88	1,581	583
	8,494	**7,645**	**2,890**

	March 31, 2017	March 31, 2016
With respect to all operating leases;		
Lease payments recognized in the Statement of Profit and Loss during the year	4,543	4,178
Sub-lease payments received / receivable recognized in the Statement of Profit and Loss during the year	89	71

Repairs and maintenance : investment property	March 31, 2017	March 31, 2016	April 01, 2015
Contractual obligation for future repairs and maintenance not recognised as liability	59	67	-

44 (I) Contingent Liabilities:

In the ordinary course of business, the Group faces claims and assertions by various parties. The Group assesses such claims and assertions and monitors the legal environment on an on-going basis, with the assistance of external legal counsel, wherever necessary. The Group records a liability for any claims where a potential loss is probable and capable of being estimated and discloses such matters in its consolidated financial statements, if material. For potential losses that are considered possible, but not probable, the Group provides disclosure in the consolidated financial statements but does not record a liability in its accounts unless the loss becomes probable.

The following is a description of claims and assertions where a potential loss is possible, but not probable. The Group believes that none of the contingencies described below would have a material adverse effect on the Group's financial condition, results of operations or cash flows.

Claims against the Company not acknowledged as debts

		March 31, 2017	March 31, 2016	April 01, 2015
a)	Excise Matters#	45	62	64
b)	Customs Demand Matters#	-	59	75
c)	Sales Tax Matters#	39	48	103
d)	Service Tax Matters	41	42	46
e)	Stamp Duty	-	3	5
f)	Claims made by workmen	70	38	22
g)	Income Tax Matters	186	156	135
h)	Unfulfilled export commitment under EPCG Scheme	108	108	106
i)	Others (refer note 'c' below)	512	147	4

Against which Company has given bank guarantees amounting to ₹36 million (March 31, 2016 : ₹76 million, April 1, 2015 : ₹62 million)

(a) The Company does not expect any reimbursements in respect of the above contingent liabilities.

(b) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(c) As at March 31, 2017 a step-down subsidiary of the group acted as a surety for subsidy amounting to ₹ 499 million received from the government. The group may be contingently liable in event of any non compliance of subsidy condition.

(d) Above contingent liability includes group share of contingent liability of associates and joint ventures entities.

For contingent liabilities relating to associates and joint ventures refer to note 45

(All amounts in ₹ Million, unless otherwise stated)

45. Interest in other entities

A. Details of subsidiaries which have been consolidated are as follows:

Name of the Company		Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
1	MSSL Mauritius Holdings Limited (MMHL)	Mauritius	100%	100%	100%	0%	0%	0%	March 31, 2017
2	Motherson Electrical Wires Lanka Private Limited	Sri Lanka	100%	100%	100%	0%	0%	0%	March 31, 2017
3	MSSL Mideast (FZE)	UAE	100%	100%	100%	0%	0%	0%	March 31, 2017
4	MSSL (S) Pte Limited	Singapore	100%	100%	100%	0%	0%	0%	March 31, 2017
5	MSSL Automobile Component Ltd	India	100%	100%	100%	0%	0%	0%	March 31, 2017
6	Samvardhana Motherson Polymers Limited (SMPL)	India	51%	51%	51%	49%	49%	49%	March 31, 2017
7	MSSL (GB) Limited (Jointly held by the Company and MSSL Mideast (FZE))	UK	100%	100%	100%	0%	0%	0%	March 31, 2017
8	Motherson Wiring System (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	100%	0%	0%	0%	March 31, 2017
9	MSSL Tooling (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	100%	0%	0%	0%	March 31, 2017
10	MSSL GmbH (held by MSSL Mideast (FZE))	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
11	Samvardhana Motherson Invest Deutschland GmbH (held by MSSL GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
12	MSSL Advanced Polymers s.r.o.(held by MSSL GmbH)	Czech Republic	100%	100%	100%	0%	0%	0%	March 31, 2017
13	Motherson Orca Precision Technology GmbH (held by MSSL GmbH)	Germany	95.10%	95.10%	95.10%	4.9%	4.9%	4.9%	March 31, 2017
14	MSSL s.r.l. Unipersonale (held by MSSL (GB) Limited as at March 31, 2017 and held by MSSL GMBH during previous years)	Italy	100%	100%	100%	0%	0%	0%	March 31, 2017
15	Samvardhana Motherson Polymers Management Germany GMBH (held by MSSL GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

	Name of the Company	Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
16	Motherson Techno Precision México, S.A. de C.V (held by MSSL GmbH)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
17	MSSL Manufacturing Hungary Kft (held by MSSL GMBH)	Hungary	100%	-	-	0%	-	-	March 31, 2017
18	MSSL Australia Pty Limited (held by MMHL as at March 31, 2017 & held by MSSL (S) Pte. Limited during previous years)	Australia	80%	80%	80%	20%	20%	20%	March 31, 2017
19	Motherson Elastomers Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	100%	0%	0%	0%	March 31, 2017
20	Motherson Investments Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	100%	0%	0%	0%	March 31, 2017
21	MSSL Ireland Private Limited (held by MSSL (GB) Limited as at March 31, 2017 and held by MMHL during previous years)	Ireland	100%	100%	100%	0%	0%	0%	March 31, 2017
22	MSSL Global RSA Module Engineering Limited (held by MSSL Mauritius Holdings Limited)	South Africa	100%	100%	100%	0%	0%	0%	March 31, 2017
23	MSSL Japan Limited (held by MSSL (S) Pte Limited)	Japan	100%	100%	100%	0%	0%	0%	March 31, 2017
24	Vacuform 2000 (Proprietary) Limited (held by MSSL Mauritius Holdings Limited)	South Africa	51%	51%	51%	49%	49%	49%	March 31, 2017
25	MSSL México, S.A. De C.V. (held by MSSL (S) Pte Limited)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
26	MSSL WH System (Thailand) Co., Ltd (held by MSSL (S) Pte. Ltd.)	Thailand	100%	100%	100%	0%	0%	0%	March 31, 2017
27	MSSL Korea WH Limited (held by MSSL (S) Pte. Ltd.)	Korea	100%	100%	100%	0%	0%	0%	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

	Name of the Company	Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
28	MSSL Consolidated Inc. (held by MSSL (GB) Ltd.)	USA	100%	100%	100%	0%	0%	0%	March 31, 2017
29	MSSL Overseas Wiring System Ltd. (held by MSSL Consolidated Inc)	UK	100%	100%	100%	0%	0%	0%	March 31, 2017
30	MSSL Wiring System Inc (held by MSSL Overseas Wiring System Ltd)	USA	100%	100%	100%	0%	0%	0%	March 31, 2017
31	Alphabet de Mexico, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
32	Alphabet de Mexico de Monclova, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
33	Alphabet de Saltillo, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
34	MSSL Wirings Juarez, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
35	Samvardhana Motherson Global Holdings Ltd. (SMGHL) (held by MSSL Mauritius Holdings Limited)	Cyprus	51%	51%	51%	49%	49%	49%	March 31, 2017
36	Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (held by SMGHL and SMPL)	Netherlands	100%	100%	100%	0%	0%	0%	March 31, 2017
37	Samvardhana Motherson Reflectec Group Holdings Limited (SMR) (held by SMRPBV)	Jersey	98.45%	98.45%	98.45%	1.55%	1.55%	1.55%	March 31, 2017
38	SMR Automotive Technology Holding Cyprus Limited (held by SMR)	Cyprus	100%	100%	100%	0%	0%	0%	March 31, 2017
39	SMR Automotive Mirror Parts and Holdings UK Ltd (held by SMR)	UK	100%	100%	100%	0%	0%	0%	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

Name of the Company		Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
40	SMR Automotive Holding Hong Kong Limited (held by SMR)	Hong Kong	100%	100%	100%	0%	0%	0%	March 31, 2017
41	SMR Automotive Systems India Limited (Jointly held by the Company and SMR Automotive Technology Holding Cyprus Limited)	India	100%	100%	100%	0%	0%	0%	March 31, 2017
42	SMR Automotive Systems France S.A. (held by SMR Automotive Technology Holding Cyprus Limited)	France	100%	100%	100%	0%	0%	0%	March 31, 2017
43	SMR Automotive Mirror Technology Holding Hungary KFT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	100%	0%	0%	0%	March 31, 2017
44	SMR Patents S.à.r.l. (held by SMR Automotive Mirror Parts and Holdings UK Ltd)	Luxembourg	100%	100%	100%	0%	0%	0%	March 31, 2017
45	SMR Automotive Technology Valencia S.A.U. (held by SMR Automotive Mirror Parts and Holdings UK Ltd)	Spain	100%	100%	100%	0%	0%	0%	March 31, 2017
46	SMR Automotive Mirrors UK Limited (held by SMR Automotive Mirror Parts and Holdings UK Ltd)	UK	100%	100%	100%	0%	0%	0%	March 31, 2017
47	SMR Automotive Mirror International USA Inc. (held by SMR Mirrors UK Ltd)	USA	100%	100%	100%	0%	0%	0%	March 31, 2017
48	SMR Automotive Systems USA Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	100%	0%	0%	0%	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

Name of the Company		Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
49	SMR Automotive Beijing Company Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	100%	0%	0%	0%	March 31, 2017
50	SMR Automotive Yancheng Co. Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	100%	0%	0%	0%	March 31, 2017
51	SMR Automotive Mirror Systems Holding Deutschland GmbH (held by SMR Automotive Mirror Parts and Holdings UK Ltd)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
52	SMR Holding Australia Pty Ltd. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Australia	100%	100%	100%	0%	0%	0%	March 31, 2017
53	SMR Automotive Australia Pty Limited (held by SMR Holding Australia Pty Ltd.)	Australia	100%	100%	100%	0%	0%	0%	March 31, 2017
54	SMR Automotive Mirror Technology Hungary BT (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Hungary	100%	100%	100%	0%	0%	0%	March 31, 2017
55	SMR Automotive Modules Korea Ltd (formerly known as SMR Poong Jeong Automotive Mirrors Korea Ltd.) (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	South Korea	100%	89.86%	89.86%	0%	10.14%	10.14%	March 31, 2017
56	SMR Automotive Beteiligungen Deutschland GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

	Name of the Company	Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
57	SMR Hyosang Automotive Ltd. (held by SMR Automotive Modules Korea Ltd)	South Korea	100%	89.86%	89.86%	0%	10.14%	10.14%	March 31, 2017
58	SMR Automotive Mirrors Stuttgart GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
59	SMR Automotive Systems Spain S.A.U (held by SMR Automotive Mirrors Stuttgart GmbH)	Spain	100%	100%	100%	0%	0%	0%	March 31, 2017
60	SMR Automotive Vision Systems Mexico S.A de C.V (held by SMR Automotive Mirrors Stuttgart GmbH)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
61	SMR Automotive Servicios Mexico S.A de C.V (held by SMR) - under liquidation	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
62	"SMR Grundbesitz GmbH & Co. KG (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)"	Germany	93.07%	93.07%	93.07%	6.93%	6.93%	6.93%	March 31, 2017
63	SMR Automotive Brasil Ltda. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Brazil	100%	100%	100%	0%	0%	0%	March 31, 2017
64	SMR Automotive System (Thailand) Limited (held by SMR Automotive Technology Holding Cyprus Limited)	Thailand	100%	100%	100%	0%	0%	0%	March 31, 2017
65	SMR Automotives Systems Macedonia Dooel Skopje (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Macedonia	100%	100%	100%	0%	0%	0%	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

	Name of the Company	Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
66	SMR Automotive Operations Japan K.K. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Japan	100%	100%	100%	0%	0%	0%	March 31, 2017
67	SMR Automotive (Langfang) Co. Ltd (held by SMR Automotive Modules Korea Ltd)	China	100%	89.86%	89.86%	0%	10.14%	10.14%	March 31, 2017
68	SMR Automotive Vision System Operations USA INC. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	USA	100%	100%	100%	0%	0%	0%	March 31, 2017
69	SMR Mirror UK Limited (held by SMR Automotive Vision System Operations USA INC.)	UK	100%	100%	100%	0%	0%	0%	March 31, 2017
70	Samvardhana Motherson Peguform GmbH (SMP) (held by SMRPBV)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
71	SMP Automotive Interiors (Beijing) Co. Ltd (held by SMRPBV)	China	100%	100%	100%	0%	0%	0%	March 31, 2017
72	SMP Deutschland GmbH (held by Samvardhana Motherson Peguform GmbH and SMGHL)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
73	SMP Logistik Service GmbH (held by SMP Deutschland GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
74	SMP Automotive Solutions Slovakia s.r.o (held by SMP Deutschland GmbH)	Slovakia	100%	100%	100%	0%	0%	0%	March 31, 2017
75	Changchun Peguform Automotive Plastics Technology Co., Ltd.(held by SMP Deutschland GmbH)	China	50% +1share	50% +1share	50% +1share	50% -1share	50% -1share	50% -1share	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

Name of the Company		Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
76	Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	100%	0%	0%	0%	March 31, 2017
77	SMP Automotive Technology Management Services (Changchun) Co. Ltd. (held by SMP Deutschland GmbH)	China	100%	100%	100%	0%	0%	0%	March 31, 2017
78	SMP Automotive Technology Iberica S.L. (held by SMRPBV)	Spain	100%	100%	100%	0%	0%	0%	March 31, 2017
79	Samvardhana Motherson Peguform Barcelona S.L.U (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	100%	0%	0%	0%	March 31, 2017
80	SMP Automotive Technologies Teruel Sociedad Limitada (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	100%	0%	0%	0%	March 31, 2017
81	Samvardhana Motherson Peguform Automotive Technology Portugal S.A. (held by SMP Automotive Technology Iberica S.L.)	Portugal	100%	100%	100%	0%	0%	0%	March 31, 2017
82	SMP Automotive Systems Mexico S.A. de C.V. (held by SMP Automotive Technology Iberica S.L.)	Mexico	100%-1share	100%-1share	100%-1share	0%	0%	0%	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

Name of the Company		Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
83	SMP Automotive Produtos Automotivos do Brasil Ltda. (held by SMP Automotive Technology Iberica S.L.)	Brazil	100%-1share	100%-1share	100%-1share	0%	0%	0%	March 31, 2017
84	SMP Exterior Automotive GmbH (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
85	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
86	Samvardhana Motherson Innovative Autosystems Holding Company BV (held by SMR)	Netherlands	100%	100%	100%	0%	0%	0%	March 31, 2017
87	SM Real Estate GmbH (held by SMGHL & SMP Automotive Exterior GmbH)	Germany	100%	100%	100%	0%	0%	0%	March 31, 2017
88	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V (held jointly by SMR & SMP)	Mexico	100%	100%	100%	0%	0%	0%	March 31, 2017
89	SMP Automotive Systems Alabama Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	-	0%	0%	-	March 31, 2017
90	Motherson Innovations Company Limited (held by SMR)	England	100%	100%	-	0%	0%	-	March 31, 2017
91	Motherson Innovations Deutschland GmbH (held by Motherson Innovations Company Limited)	Germany	100%	100%	-	0%	0%	-	March 31, 2017
92	Samvardhana Motherson Global (FZE) (held by SMR)	UAE	100%	100%	-	0%	0%	-	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

	Name of the Company	Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
93	SMR Automotive Industries RUS Limited Liability Company (incorporated on 03.10.2016) (held by SMR)	Russia	100%	-	-	0%	-	-	March 31, 2017
94	Celulosa Fabril S.A. (Zaragoza, ES) (held by SMP automotive technology Iberica S.L.)	Spain	50%			50%			March 31, 2017
95	Modulos Rivera Alta S.L.U. (held by Celulosa Fabril S.A.)	Spain	100%			0%			March 31, 2017
96	Motherson Innovations Lights GmbH & Co KG (formerly Kobek Siebdruck GmbH & Co. KG – acquired on 02.01.2017 held by Samvardhana Motherson Peguform GmbH)	Germany	100%	-	-	0%	-	-	March 31, 2017
97	Motherson Innovations Lights Verwaltungs GmbH (formerly Kobek Verwaltungs GmbH - acquired on 02.01.2017 held by Motherson Innovations Lights GmbH & Co KG)	Germany	100%	-	-	0%	-	-	March 31, 2017
98	MSSL Estonia WH OÜ (incorporated on 30.01.2017) (held by MSSL (GB) Limited)	Estonia	100%	-	-	-	-	-	March 31, 2017
99	PKC Group Plc (held by MSSL Estonia WH OÜ) *	Finland	100%	-	-	0%	-	-	March 31, 2017
100	PKC Wiring Systems Oy (held by PKC Group Plc)*	Finland	100%	-	-	0%	-	-	March 31, 2017
101	PKC Netherlands Holding B.V. (held by PKC Group Plc)*	Netherlands	100%	-	-	0%	-	-	March 31, 2017
102	PKC Group Poland Sp. z o.o. (held by PKC Eesti AS)*	Poland	100%	-	-	0%	-	-	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

Name of the Company		Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
103	PKC Wiring Systems Llc (held by PKC Wiring Systems Oy)*	Serbia	100%	-	-	0%	-	-	March 31, 2017
104	PKC Group APAC Limited (held by PKC Wiring Systems Oy)*	Hong Kong	100%	-	-	0%	-	-	March 31, 2017
105	PKC Group Canada Inc. (held by PKC Wiring Systems Oy)*	Canada	100%	-	-	0%	-	-	March 31, 2017
106	PKC Group USA Inc. (held by PKC Wiring Systems Oy)*	USA	100%	-	-	0%	-	-	March 31, 2017
107	PKC Group Mexico S.A. de C.V. (held by PKC Wiring Systems Oy)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
108	Project del Holding S.a.r.l. (held by PKC Wiring Systems Oy)*	Luxembourg	100%	-	-	0%	-	-	March 31, 2017
109	PK Cables do Brasil Ltda (held by PKC Wiring Systems Oy)*	Brazil	100%	-	-	0%	-	-	March 31, 2017
110	PKC Eesti AS (held by PKC Wiring Systems Oy)*	Estonia	100%	-	-	0%	-	-	March 31, 2017
111	TKV-sarjat Oy (held by PKC Wiring Systems Oy)*	Finland	100%	-	-	0%	-	-	March 31, 2017
112	PKC SEGU Systemelektrik GmbH (held by PKC Wiring Systems Oy)*	Germany	100%	-	-	0%	-	-	March 31, 2017
113	PK Cables Nederland B.V. (held by PKC Netherlands Holding B.V.)*	Netherlands	100%	-	-	0%	-	-	March 31, 2017
114	Groclin Luxembourg S.à r.l. (held by PKC Group Poland Holding Sp. z o.o.)*	Luxembourg	100%	-	-	0%	-	-	March 31, 2017
115	PKC Vehicle Technology (Suzhou) Co., Ltd. (held by PKC Group APAC Limited)*	China	100%	-	-	0%	-	-	March 31, 2017
116	AEES Inc. (held by PKC Group USA Inc.)*	USA	100%	-	-	0%	-	-	March 31, 2017
117	PKC Group Lithuania UAB (held by PKC Eesti AS)*	Lithuania	100%	-	-	0%	-	-	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

Name of the Company		Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
118	PKC Group Poland Holding Sp. z o.o. (held by PKC Wiring Systems Oy)*	Poland	100%	-	-	0%	-	-	March 31, 2017
119	OOO AEK (held by PKC Eesti AS)*	Russia	100%	-	-	0%	-	-	March 31, 2017
120	Kabel-Technik-Polska Sp. z o.o. (held by Groclin Luxembourg S.à r.l.)*	Poland	100%	-	-	0%	-	-	March 31, 2017
121	AEES Power Systems Limited partnership (held by AEES Inc.)*	USA	100%	-	-	0%	-	-	March 31, 2017
122	T.I.C.S. Corporation (held by AEES Inc.)*	USA	100%	-	-	0%	-	-	March 31, 2017
123	Fortitude Industries Inc. (held by AEES Inc.)*	USA	100%	-	-	0%	-	-	March 31, 2017
124	AEES Manufactuera, S. De R.L de C.V. (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
125	Cableodos del Norte II, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
126	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V. (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
127	Arneses y Accesorios de México, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
128	Asesoria Mexicana Empresarial, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
129	Arneses de Ciudad Juarez, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017

(All amounts in ₹ Million, unless otherwise stated)

	Name of the Company	Country of Incorporation	Ownership interest held by the group			Ownership interest held by the non-controlling interest			Reporting Dates used for Consolidation
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015	
130	PKC Group de Piedras Negras, S. de R.L. de C.V. (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
131	PKC Group AEES Commercial S. de R.L de C.V (held by Project del Holding S.a.r.l.)*	Mexico	100%	-	-	0%	-	-	March 31, 2017
132	Jiangsu Huakai-PKC Wire Harness Co., Ltd. (held by PKC Group APAC Limited)*	China	50%	-	-	50%	-	-	March 31, 2017
133	PKC Vechicle Technology (Hefei) Co, Ltd. (held by PKC Group APAC Limited)*	China	50%	-	-	50%	-	-	March 31, 2017
134	Samvardhana Motherson Nippisun Technology Ltd	India	100%			0%			March 31, 2017
135	Samvardhana Motherson Plastic Solutions GMBH & Co KG (dissolved on Feb 16, 2017) (held by MSSL GmbH)	Germany	-	100%	100%	-	0%	0%	
136	SMR Automotive Mirror Services UK Ltd. (held by SMR) dissolved on March 05, 2016	UK	-	-	100%	-	-	0%	

* Acquired on March 27, 2017 (Refer note 48 A)

B. Non-controlling interests (NCI)

Set out below the summarised financial information for subsidiary that has non-controlling interests that are material to the group.

Samvardhana Motherson Automotive Systems Group B.V.

Summarised balance sheet	March 31, 2017	March 31, 2016	April 01, 2015
Current assets	99,725	70,626	58,979
Current liabilities	79,041	67,125	56,948
Net current assets	**20,684**	**3,501**	**2,031**
Non-current assets	94,266	76,973	58,912
Non-current liabilities	74,210	50,252	39,349
Net non-current assets	**20,056**	**26,721**	**19,563**
Net Assets	**40,740**	**30,222**	**21,594**
Accumulated Non controlling Interest	**19,952**	**13,923**	**10,016**

(All amounts in ₹ Million, unless otherwise stated)

Summarised statement of profit and loss	March 31, 2017	March 31, 2016
Revenue	339,554	293,717
Profit for the year	11,554	8,953
Other comprehensive income	(2,025)	79
Total comprehensive income	**9,529**	**9,032**
Profit allocated to non controlling interest	6,202	4,823
Dividend paid to NCI	810	458

Summarised cash flows	March 31, 2017	March 31, 2016
Cash flows from operating activities	21,536	12,906
Cash flows from investing activities	(16,349)	(17,196)
Cash flows from financing activities	16,423	5,287
Net increase / (decrease) in cash and cash equivalents	**21,610**	**997**

C. Transactions with non-controlling interests

During the year, one of the Group's subsidiary SMR Automotive Modules Korea Limited bought back 81,660 shares from its minority shareholder against a consideration of ₹678 million (EUR 9.219 million), the carrying value of non-controlling interest was ₹424 million (Eur 5.764 million) as on the date of buy back resulting in ₹254 million (EUR 3.455 million) as excess consideration paid over carrying value. This being transactions with owners, excess consideration amounting to ₹128 million has been adjusted with retained earnings whereas remaining ₹126 million has been adjusted with non controlling interest, being their share of excess consideration paid. Pursuant to this transaction, this subsidiary has become a 100% subsidiary of SMR Automotive Mirror Systems Holding Deutschland GmbH.

	March 31, 2017
Carrying amount of non-controlling interests acquired (restated at closing rate)	398
Consideration paid to non-controlling interests (restated at closing rate)	637
Excess of consideration paid recognised in retained earnings within equity	254

There were no transaction with non-controlling interests in FY 2015-16.

D. Interest in associates companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2017	Quoted fair value			carrying amount		
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
SAKS Ancillaries Limited	India	40.01%	-*	-*	-*	35	32	33
Re time Pty Limited (held by SMR)	Australia	35%	-*	-*	-*	9	20	20

* Unlisted entity - no quoted price available

E. Interest in Joint ventures companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2017	Quoted fair value			Carrying amount		
			March 31, 2017	March 31, 2016	April 01, 2015	March 31, 2017	March 31, 2016	April 01, 2015
Kyungshin Industrial Motherson Limited	India	50%	-*	-*	-*	1,686	1,255	1,037
Calsonic Kansei Motherson Auto Products Private Limited	India	49%	-*	-*	-*	509	396	170
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. (through SMR) (Includes Chongqing SMR Huaxiang Automotive Products Limited) [1]	China	50%	-*	-*	-*	1,415	1,433	1,231
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	Slovakia	49%	-*	-*	-*	353	272	202
Global Environment Management (FZC) (held by MSSL Mauritius Holdings Limited) (Included Global Environment Management Australia Pty Limited)	UAE	78.82%	-*	-*	-*	39	43	38
Celulosa Fabril S.A. (CEFA) (through SMP automotive technology Iberica S.L) (Including Modulos Ribera Alto S.LU.) [2]	Spain	50%		-*	-*	-	1,268	768
Samvardhana Motherson Nippisun Technology Ltd	India				-*	-	-	(7)
Woco Motherson Limited (FZC) (through MSSL Mauritius Holdings Limited) [3]	U.A.E	-			-*	-	-	61
Woco Motherson Elastomers Limited [3]	India	-			-*	-	-	104
Woco Motherson Advanced Rubber Technologies Limited [3]	India	-			-*	-	-	243

* Unlisted entity - no quoted price available

1. Chongqing SMR Huaxiang Automotive Products Limited is 100% subsidiary of Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.
2. Modulos Ribera Alto S.LU. Is 100% subsidiary of Celulosa Fabril S.A. (CEFA). During year ended March 31st, 2017, the group has acquired control of CEFA.
3. During the year ending March 31 2016, the group has discontinued its joint venture and transferred its interest to the joint venture enties.
4. During the year ending March 31 2017, the group acquired remaining shares from joint venture partners and accordingly Samvardhana Motherson Nippisun Technology Ltd got converted into subsidiary.

F. Summarised financial information of joint ventures

The table below provide summarised financial information for those joint venture that are material to the group.

Summarised balance sheet	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o
March 31, 2017				
Current assets				
Cash and cash equivalents	1,102	95	744	22
Other assets	3,407	1,509	4,411	473
Total current assets	**4,509**	**1,604**	**5,155**	**495**
Total non-current assets	**383**	**1,962**	**1,999**	**722**
Current liabilities				
Financial liabilities (excluding trade payables)	-	635	-	-
Other liabilities	1,481	884	4,298	489
Total current liabilities	**1,481**	**1,519**	**4,298**	**489**
Total non-current liabilities	40	1,009	26	9
Consol adjustments	-	-	-	-
Net assets	**3,371**	**1,038**	**2,830**	**719**

Summarised balance sheet	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o	Celulosa Fabril S.A. (Zaragoza, ES)
March 31, 2016					
Current assets					
Cash and cash equivalents	539	14	1,021	14	1,080
Other assets	2,942	1,588	4,077	432	3,331
Total current assets	**3,481**	**1,602**	**5,098**	**446**	**4,411**
Total non-current assets	**361**	**2,236**	**1,772**	**726**	**2,328**
Current liabilities					
Financial liabilities (excluding trade payables)	-	927	-	-	-
Other liabilities	1,298	793	3,958	607	3,256
Total current liabilities	**1,298**	**1,720**	**3,958**	**607**	**3,256**
Total non-current liabilities	34	1,310	46	9	947
Consol adjustments	-	-	-	-	
Net assets	**2,510**	**808**	**2,866**	**556**	**2,536**

(All amounts in ₹ Million, unless otherwise stated)

Summarised balance sheet	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o	Celulosa Fabril S.A. (Zaragoza, ES)
April 01, 2015					
Current assets					
Cash and cash equivalents	672	54	1,138	137	396
Other assets	2,197	1,490	2,778	374	2,121
Total current assets	**2,869**	**1,544**	**3,916**	**511**	**2,517**
Total non-current assets	**355**	**2,128**	**1,345**	**469**	**2,484**
Current liabilities					
Financial liabilities (excluding trade payables)	-	885	66	-	-
Other liabilities	1,127	946	2,693	562	2,387
Total current liabilities	**1,127**	**1,831**	**2,759**	**562**	**2,387**
Total non-current liabilities	24	1,494	41	5	1,079
Consol adjustments	-	-	-	-	
Net assets	**2,073**	**347**	**2,462**	**413**	**1,535**

Reconciliation to carrying amounts:

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o
March 31, 2017				
Opening net assets	2,510	808	2,866	556
Profit for the year*	1,280	230	1,215	224
Other comprehensive income	(5)	(0)	-	-
Exchange gain / (loss)	-	-	(254)	(61)
Dividend paid	(414)	-	(997)	
Closing net assets	**3,371**	**1,038**	**2,830**	**719**
Group's share in %	50%	49%	50%	49%
Group's share in ₹	**1,686**	**508**	**1,415**	**353**
Carrying amount	**1,686**	**508**	**1,415**	**353**

* The group has acquired control over 'Celulosa Fabril S.A.' Including 'Modulos Ribera Alto S.L.U.' during the year (Refer Note 48 B). Profit of those entities is consolidated under equity method till the date of conversion into subsidiary.

(All amounts in ₹ Million, unless otherwise stated)

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o	Celulosa Fabril S.A. (Zaragoza, ES)
March 31, 2016					
Opening net assets	2,073	347	2,462	413	1,535
Profit for the year	1,062	33	712	(14)	973
Others	-	428	-	106	(33)
Exchange gain / (loss)	-	-	309	51	256
Other comprehensive income	(4)	(0)	-	-	-
Dividend paid	(621)		(617)		(195)
Closing net assets	**2,510**	**808**	**2,866**	**556**	**2,536**
Group's share in %	50%	49%	50%	49%	50%
Group's share in ₹	**1,255**	**396**	**1,433**	**272**	**1,268**
Carrying amount	**1,255**	**396**	**1,433**	**272**	**1,268**

Summarised statement of profit and loss

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o
March 31, 2017				
Revenue	13,335	5,371	12,627	4,285
Interest income	115	9	-	-
Depreciation and amortisation	60	278	317	117
Interest expense	5	170	2	-
Income tax expense	695	77	201	66
Profit from continuing operation	1,280	230	1,215	224
Other comprehensive income	(5)	(0)	-	-
Total comprehensive income	**1,275**	**230**	**1,215**	**224**

	Kyungshin Industrial Motherson Limited	Calsonic Kansei Motherson Auto Products Private Limited	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	Eissmann SMP Automotive Interieur Slovensko s.r.o	Celulosa Fabril S.A. (Zaragoza, ES)
March 31, 2016					
Revenue	12,376	4,951	9,988	3,039	8,008
Interest income	50	11	-	0	8
Depreciation and amortisation	58	278	277	58	377
Interest expense	2	204	21	-	49
Income tax expense	573	26	92	6	519
Profit from continuing operation	1,062	33	712	(14)	973
Other comprehensive income	(4)	(0)	-	-	-
Total comprehensive income	**1,058**	**33**	**712**	**(14)**	**973**

(All amounts in ₹ Million, unless otherwise stated)

G. Individually immaterial associates

The group has interests in a number of individually immaterial associates that are accounted for using equity method. The group share of investment and profit is disclosed below.

	March 31, 2017	March 31, 2016	April 01, 2015
Aggregate carrying amount of individually immaterial associates	44	52	53
Aggregate amounts of the group's share of:			
Profit / (loss) from continuing operations	(8)	(2)	-

H. Individually immaterial joint ventures

In addition to interest in joint ventures disclosed above, the group also has interests in a number of individually immaterial joint ventures that are accounted for using equity method. The group share of investment and profit is disclosed below.

	March 31, 2017	March 31, 2016	April 01, 2015
Aggregate carrying amount of individually immaterial joint ventures	39	43	439
Aggregate amounts of the group's share of:			
Profit / (loss) from continuing operations	0	(3)	-

I. Commitments and contingent liabilities in respect of associates and joint ventures

	March 31, 2017	March 31, 2016	April 01, 2015
Share of joint venture's contingent liabilities in respect of:			
Excise matters	2	5	5
Service tax matters	-	-	2
Income tax matters	2	7	33
Unfulfilled export commitments under EPCG Scheme	108	108	106
Others	13	13	2
Commitments - joint ventures			
Share of joint venture's estimated value of contracts in capital account remaining to be executed, (Net of Advances)	10	14	17

46. Additional information required by Schedule III

Current year: 2016-17

Name of entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount
Motherson Sumi Systems Ltd	35	58,027	38	8,273	3	(62)	42	8,211
Subsidiaries:								
Indian:								
Samvardhana Motherson Polymers Ltd.	0#	269	(0)#	(8)	(0)#	-	(0)#	(8)
MSSL Automobile Component Ltd	(0)#	0#	(0)#	(0)#	(0)#	-	(0)#	(0)#

(All amounts in ₹ Million, unless otherwise stated)

Name of entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount
Foreign:								
Samvardhana Motherson Automotive Systems Group B.V.(SMRPBV) *	13	20,788	25	5,352	49	(1,067)	22	4,285
Alphabet De Mexico S.A. de C.V	0#	307	0#	10	0#	-	0#	10
Alphabet De Saltillo S.A. de C.V.	0#	125	0#	45	0#	-	0#	45
Alphabet De Mexico de Monclova S.A. de C.V	0#	145	0#	9	0#	-	0#	9
MSSL Wirings Juarez S.A. de C.V.	0#	3	0#	1	0#	-	0#	1
MSSL Wiring Systems Inc	1	2,094	1	224	(1)	25	1	249
MSSL Australia Pty Ltd*	0#	373	0#	32	0#	-	0#	32
MSSL GmbH*	1	1,065	0#	86	0#	1	0#	87
Vacuform 2000 (Proprietary) Limited	0#	(1)	0#	34	0#	-	0#	34
MSSL Global RSA Module Engineering Limited	1	1,109	3	710	0#	-	4	710
MSSL (S) Pte Ltd	1	837	0#	3	0#	-	0#	3
MSSL Japan Limited	0#	107	0#	25	0#	-	0#	25
Motherson Electrical Wires Lanka Pvt. Ltd.	0#	739	1	134	0#	1	1	135
MSSL Mexico S.A. De C.V.	0#	310	0#	95	0#	(3)	0#	92
MSSL WH System (Thailand) Co. Ltd.	0#	39	0#	(14)	(0)#	(0)	(0)#	(14)
MSSL Korea WH Limited	0#	(7)	0#	1	(0)#	-	(0)#	1
MSSL Consolidated Inc.	1	1,757	0#	(96)	0#	-	0#	(96)
MSSL Mideast (FZE)**	5	8,684	4	730	0#	-	4	730
MSSL GB Limited**	2	2,323	0#	84	0#	-	0#	84
Motherson Wiring System (FZE)	0#	(110)	0#	3	0#	-	0#	3
MSSL Tooling (FZE)	0#	571	1	157	0#	-	1	157
MSSL Ireland Private Ltd.	0#	23	0#	3	0#	-	0#	3
MSSL Mauritius Holdings Limited	2	3,122	0#	79	0#	-	0#	79
Samvardhana Motherson Global Holdings Limited	(1)	(1,570)	0#	(23)	(0)#	-	0#	(23)
MSSL Estonia WH OÜ	18	28,775	(5)	(995)	(0)#	-	(5)	(995)
PKC Group Plc*	6	9,722	0#	0	(0)#	-	(0)#	0
Associates (Investment as per Equity method)								
Indian:								
SAKS Ancillaries Limited	0#	30	0#	2	0#	-	0#	2
Joint Ventures (Investment as per Equity method)								
Indian:								
Kyungshin Industrial Motherson Limited	1	1,687	3	570	0#	(3)	3	567

(All amounts in ₹ Million, unless otherwise stated)

Name of entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount
Calsonic Kansei Motherson Auto Products Private Limited	0#	418	1	113	0#	(0)	1	113
Foreign:								
Global Environment Management (FZC)*	0#	(64)	(0)#	(1)	(0)#	-	(0)#	(1)
Minority Interest in All Subsidiaries	14	22,322	28	6,181	49	(1,048)	26	5,133
Total	**100**	**164,019**	**100**	**21,819**	**100**	**(2,156)**	**100**	**19,663**
Adjustment arising out of consolidation		(58,970)		(95)		(1,143)		(1,237)
Total		**105,049**		**21,724**		**(3,300)**		**18,424**

Previous Year: 2015-16

Name of entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount
Motherson Sumi Systems Ltd	42	24,539	41	7,186	(8)	(34)	39	7,152
Subsidiaries:								
Indian:								
Samvardhana Motherson Polymers Ltd.	0#	169	(0)#	(8)	(0)#	-	(0)#	(8)
MSSL Automobile Component Ltd	(0)#	0#	(0)#	(0)	(0)#	-	(0)#	(0)#
Foreign:								
Samvardhana Motherson Automotive Systems Group B.V.(SMRPBV) *	21	16,298	22	4,130	48	(100)	21	4,030
Alphabet De Mexico S.A. de C.V	0#	328	0#	56	0#	-	0#	56
Alphabet De Saltillo S.A. de C.V.	0#	89	0#	28	0#	-	0#	28
Alphabet De Mexico de Monclova S.A. de C.V	0#	151	0#	24	0#	-	0#	24
MSSL Wirings Juarez S.A. de C.V.	0#	1	0#	1	0#	-	0#	1
MSSL Wiring Systems Inc	3	1,884	0#	72	4	(9)	0#	63
MSSL Australia Pty Ltd*	0#	358	0#	24	0#	-	0#	24
MSSL GmbH*	1	826	2	314	0#	(1)	2	313
Vacuform 2000 (Proprietary) Limited	0#	(33)	0#	26	0#	-	0#	26
MSSL Global RSA Module Engineering Limited	1	698	3	526	0#	-	3	526
MSSL (S) Pte Ltd	1	888	0#	(3)	0#	-	0#	(3)
MSSL Japan Limited	0#	99	0#	36	0#	-	0#	36
Motherson Electrical Wires Lanka Pvt. Ltd.	1	612	2	314	0#	-	2	314

(All amounts in ₹ Million, unless otherwise stated)

Name of entity	Net Assets		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As a % of Consolidated Net Asset	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount	As a % of Consolidated Profit / (loss)	Amount
MSSL Mexico S.A. De C.V.	0#	240	0#	74	0#	-	0#	74
MSSL WH System (Thailand) Co. Ltd.	0#	53	0#	(46)	0#	0	0#	(46)
MSSL Korea WH Limited	0#	(8)	0#	(8)	0#	-	0#	(8)
MSSL Consolidated Inc.	3	1,890	0#	(78)	0#	-	0#	(78)
MSSL Mideast (FZE)**	11	8,734	3	544	0#	-	3	544
MSSL GB Limited	3	2,621	0#	71	0#	-	0#	71
Motherson Wiring System (FZE)	0#	(123)	0#	1	0#	-	0#	1
MSSL Tooling (FZE)	1	462	1	111	0#	-	1	111
MSSL Ireland Private Ltd.	0#	21	0#	3	0#	-	0#	3
MSSL Mauritius Holdings Limited	4	2,771	1	270	0#	-	1	270
Samvardhana Motherson Global Holdings Limited	(2)	(1,690)	(0)#	(4)	0#	-	0#	(4)
Associates (Investment as per Equity method)								
Indian:								
SAKS Ancillaries Limited	0#	29	0#	(1)	0#	-	0#	(1)
Joint Ventures (Investment as per Equity method)								
Indian:								
Kyungshin Industrial Motherson Limited	2	1,257	3	494	1	(2)	3	492
Calsonic Kansei Motherson Auto Products Private Limited	0#	305	1	229	0#	(0)	1	229
Global Environment Management (FZC)*	(0)#	(74)	(0)#	(6)	0#	-	(0)#	(6)
Minority Interest in All Subsidiaries	19	15,123	25	4,814	30	(62)	25	4,752
Total	**100**	**78,518**	**100**	**19,194**	**100**	**(208)**	**100**	**18,986**
Adjustment arising out of consolidation		(19,424)		(1,457)		650		(807)
Total		**59,094**		**17,737**		**442**		**18,179**

***** Net assets and profit / (loss) is consolidated amount of the subsidiary, including its step down subsidiaries, joint ventures and associates.

** Excludes effect of transactions wherein loans are obtained by intermediate holding company for investment in step down subsidiaries.

Amount is below the rounding off norm adopted by the Company

Note 47: First-time adoption of Ind AS

These are the group's first consolidated financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 1, 2015 (the Group's date of transition). In preparing its opening Ind AS balance sheet, the Group has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following tables and notes.

Exemptions applied

Ind-AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind-AS.

The mandatory exemptions include the following:

i. **Hedge accounting -** Hedge accounting can only be applied prospectively from the date that the hedge relationship is fully designated and documented in accordance with Ind AS 109. All the hedges designated under previous Indian GAAP will also qualify for hedge accounting in accordance with Ind AS 109. Thus, hedge accounting for these derivative financial instruments shall be done in accordance with Ind AS 109.

ii. **Derecognition of financial assets and financial liabilities** – Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

   The group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

iii. **Classification & measurement of financial assets** - Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

iv. **Estimates** - Estimates made in accordance with previous GAAP at the date of transition to Ind AS should be considered unless there is objective evidence that those estimates were in error.

   Ind AS estimates as at April 01, 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Group made estimates for Investment in equity instruments carried at FVOCI in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

v. **Non-controlling interests** - Ind AS 110 requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition.

   Consequently, the group has applied the above requirement prospectively.

vi. **Government loans**: A first-time adopter is required to apply the requirements in Ind AS 109 and Ind AS 20 prospectively to government loans existing at the date of transition to Ind AS. However, a first-time adopter may choose to apply the requirements of Ind AS 109 and Ind AS 20 to government loans retrospectively, if the information needed to do so had been obtained at the time of initially accounting for that loan.

   Consequently, the group has applied the above requirement prospectively.

The Group has applied the following optional exemptions:

i. **Business combinations** - Ind-AS 103 Business Combinations has not been applied to acquisitions of subsidiaries, which are considered businesses for Ind-AS or of interests in associates and joint ventures that occurred before April 01, 2015. Use of this exemption means that the Indian GAAP carrying amounts of assets and liabilities, that are required to be recognized under Ind-AS, is their deemed cost at the date of acquisition. After the date of acquisition measurement is in accordance with Ind-AS. Assets and liabilities that do not qualify for recognition under are excluded from opening Ind-AS balance sheet. The Group did not recognise or exclude any previously recognised amounts as a result of Ind-AS recognition requirements.

   Ind-AS 101 also requires that Indian GAAP carrying amount of goodwill must be used in the opening Ind-As balance sheet (apart from adjustments for goodwill impairment and recognition or derecognition of intangible assets). In accordance with Ind-AS 101, the Group has tested goodwill for impairment at the date of transition to Ind-AS. No goodwill impairment was deemed necessary.

ii. **Deemed cost** - Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

   Accordingly, the group has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

iii. **Investment in joint ventures** – Ind AS 101 provides an exemption for changing from proportionate consolidation to the equity method. As per the exemption, when changing from proportionate consolidation to the equity method, an entity should recognise its investment in the joint venture at transition date to Ind AS. That initial investment should be measured as the aggregate of the carrying amounts of the assets and liabilities that the entity had previously proportionately consolidated, including any goodwill arising from acquisition. The balance of the investment in joint venture at the date of transition to Ind AS, determined in accordance with the above is regarded as the deemed cost of the investment at initial recognition.

   The group has elected to apply this exemption for its joint venture.

iv. **Leases** – Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

   The group has elected to apply this exemption for such contracts/arrangements.

v. **Cumulative translation differences and accumulated exchange differences** - Ind AS 101 permits cumulative translation gains and losses to be reset to zero at the transition date. This provides relief from determining cumulative currency translation differences in accordance with Ind AS 21 from the date a subsidiary or equity method investee was formed or acquired.

   The group elected to reset all cumulative translation gains and losses to zero by transferring it to opening retained earnings at its transition date.

Reconciliation of equity	Note	As at March 31, 2016			As at April 01, 2015		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
ASSETS							
Non-current assets							
Property, plant and equipment including Capital work in progress	**1**	83,834	(1,788)	82,046	67,309	(1,505)	65,804
Investment properties	**4**	581	-	581	551	-	551
Goodwill		2,928	-	2,928	2,974	-	2,974
Other intangible assets	**1**	567	(102)	465	560	(110)	450

(All amounts in ₹ Million, unless otherwise stated)

Reconciliation of equity	Note	As at March 31, 2016			As at April 01, 2015		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
Intangible assets under development	**1**	-	-	-	4	(4)	-
Investments accounted for using the equity method	**1**	54	4,665	4,719	55	3,845	3,900
Financial assets							
i. Non current investments	**3**	375	216	591	44	211	255
ii. Loans	**1, 18**	62	(17)	45	60	6	66
iii. Trade receivables	**1, 17**	4,901	(562)	4,339	2,032	(289)	1,743
iv. Other financial assets	**1,5**	784	(621)	163	589	(520)	69
Deferred tax assets (net)	**1,6**	3,649	(45)	3,604	1,909	(55)	1,854
Other non-current assets	**1, 2, 8**	1,774	19	1,793	5,435	(253)	5,182
Total non-current assets		**99,509**	**1,765**	**101,274**	**81,522**	**1,326**	**82,848**
Current assets							
Inventories	**1, 13**	45,033	(22,183)	22,850	37,500	(17,475)	20,025
Financial assets							
i. Current investments	**3**	0	6	6	0	6	6
ii. Trade receivables	**1,13**	34,656	11,881	46,537	30,144	7,556	37,700
iii. Cash and cash equivalents	**1**	18,990	(1,334)	17,656	18,698	(1,269)	17,429
iv. Bank balances other than (iii) above	**1**	339	(278)	61	221	(183)	38
v. Loans	**18**	324	15	339	145	225	370
vi. Other financial assets	**1, 5, 13**	2,531	2,144	4,675	961	4,428	5,389
Other current assets	**1**	5,452	(146)	5,306	6,420	(386)	6,034
Income tax assets (net)	**1**	397	(61)	336	97	(66)	31
Total current assets		**107,722**	**(9,956)**	**97,766**	**94,186**	**(7,164)**	**87,022**
Total assets		**207,231**	**(8,191)**	**199,040**	**175,708**	**(5,838)**	**169,870**
EQUITY AND LIABILITIES							
Equity							
Equity share capital		1,323	-	1,323	882	-	882
Other equity							
Reserves and surplus		38,885	3,067	41,952	30,529	5,746	36,275
Other reserves	**7**	2,248	(1,552)	696	1,827	(1,664)	163
Equity attributable to owners of the Company		**42,456**	**1,515**	**43,971**	**33,238**	**4,082**	**37,320**
Non controlling interest		14,411	712	15,123	10,142	851	10,993
Total equity		**56,867**	**2,227**	**59,094**	**43,380**	**4,933**	**48,313**
Non current liabilities							
Financial Liabilities							
i. Borrowings	**1,8,18**	50,023	(2,165)	47,858	40,859	(2,196)	38,663
ii. Other financial liabilities	**1**	205	(2)	203	144	(2)	142
Provisions	**1**	156	(11)	145	191	(11)	180
Employee benefit obligations	**1,10**	2,268	(413)	1,855	1,989	(224)	1,765
Deferred tax liabilities (net)	**1,6**	1,926	468	2,394	1,457	444	1,901
Government grants	**11**	-	446	446	-	481	481
Other non-current liabilities	**1,13**	1,623	(350)	1,273	2,947	(380)	2,567

(All amounts in ₹ Million, unless otherwise stated)

Reconciliation of equity	Note	As at March 31, 2016			As at April 01, 2015		
		Previous GAAP	Adjustments	Ind AS	Previous GAAP	Adjustments	Ind AS
Total non-current liabilities		**56,201**	**(2,027)**	**54,174**	**47,587**	**(1,888)**	**45,699**
Current liabilities							
Financial Liabilities							
i. Borrowings	**1**	9,859	(302)	9,557	8,245	(531)	7,714
ii. Trade payables	**1,13**	55,064	(3,437)	51,627	47,987	(1,586)	46,401
iii. Other financial liabilities	**1, 18**	10,900	(343)	10,557	8,054	(182)	7,872
Provisions	**1, 12, 18**	1,380	46	1,426	4,250	(3,183)	1,067
Employee benefit obligations	**1**	617	(61)	556	299	(34)	265
Government grants	**11**	-	50	50	-	46	46
Income tax liabilities (net)	**1**	1,050	(19)	1,031	1,020	(5)	1,015
Other current liabilities	**1,13**	15,293	(4,325)	10,968	14,886	(3,408)	11,478
Total current liabilities		**94,163**	**(8,391)**	**85,772**	**84,741**	**(8,883)**	**75,858**
Total liabilities		**150,364**	**(10,418)**	**139,946**	**132,328**	**(10,771)**	**121,557**
Total equity and liabilities		**207,231**	**(8,191)**	**199,040**	**175,708**	**(5,838)**	**169,870**

Reconciliation of total comprehensive income for the year ended March 31, 2016

	Note	Previous GAAP	Adjustments	Ind As
Revenue				
Total Income	**1, 13, 14, 15, 17, 18**	**394,311**	**(15,292)**	**379,019**
Expenses				
Cost of materials consumed	**1, 13**	230,837	(10,219)	220,618
Purchase of stock-in-trade	**1, 13**	3,297	-	3,297
Changes in inventories of finished goods, work-in-progress and stock in trade	**1**	(2,462)	2,640	178
Excise duty	**1**	7,150	(686)	6,464
Employee benefit expenses	**1,10**	74,320	(2,747)	71,573
Finance costs	**1,8,18,19**	2,706	744	3,450
Depreciation and amortization expense	**1**	11,357	(485)	10,872
Other expenses	**1, 18, 19**	43,417	(2,402)	41,015
Total		**370,622**	**(13,155)**	**357,467**
Profit before exceptional items, share of profits of investments accounted for using equity method and tax		**23,689**	**(2,137)**	**21,552**
Share of net profit / (Loss) of associates and joint ventures accounted for using the equity method	**1**	(2)	1,379	1,377
Exceptional items (income)/ expense	**8**	291	(291)	-
Profit before tax		**23,396**	**(467)**	**22,929**
Tax expenses				
-Current tax	**1**	7,075	(596)	6,479
-Deferred tax expense/ (credit)	**1,6,16**	(1,288)	1	(1,287)
-Fringe benefit tax		49	(49)	-
Profit for the year		**17,560**	**177**	**17,737**

(All amounts in ₹ Million, unless otherwise stated)

Other comprehensive income	**16**	0	441	441
Total comprehensive income		**17,560**	**618**	**18,178**

Reconciliation of total equity as at March 31, 2016 and April 01, 2015

	Note	March 31, 2016	April 01, 2015
Total equity (Shareholders funds) as per previous GAAP		56,867	43,380
Adjustments:			
Proposed dividend adjustment for the year ended March 31, 2015	**12**	-	3,185
Fair valuation of investment through other comprehensive income	**3**	217	217
Unamortised borrowing cost in respect of issue of senior secured notes	**8**	1,197	991
Reversal of program fee	**2**	211	67
Translation adjustment in respect of one of subsidiary	**20**	636	566
Actuarial valuation of pension provision at corporate bond rate	**10**	266	207
Reclassification of capital grant from capital reserve to deferred income	**11**	(101)	(112)
Other		(16)	(7)
Tax effects of adjustments		(183)	(181)
Total Adjustments		**2,227**	**4,933**
Total equity as per Ind AS		**59,094**	**48,313**

Reconciliation of total comprehensive income for the year ended March 31, 2016

	Note	March 31, 2016
Profit after tax as per previous GAAP		**17,561**
Adjustments:		
Exceptional cost charged off in statement of profit and loss	**8**	291
Amortisation of finance cost	**8**	(211)
Actuarial loss on defined benefit plan transferred to other comprehensive income	**10**	87
Discounting of long-term receivables	**17**	(178)
Amortisation of program fee	**2**	130
Others		57
Total adjustments		**177**
Profit after tax as per Ind AS		**17,737**
Other comprehensive income		**441**
Total comprehensive income as per Ind AS		**18,178**

Impact of Ind AS on the consolidated statements of cash flows for the year ended March 31, 2016

	Note	Previous GAAP	Adjustments	Ind As
Net cash flow from operating activities		23,109	(1,225)	21,884
Net cash flow from investing activities		(20,024)	963	(19,061)
Net cash flow from financing activities		(2,829)	197	(2,632)
Net increase/(decrease) in cash and cash equivalents		**256**	**(65)**	**191**
Cash and cash equivalents as at 1 April 2015		18,698	(1,269)	17,429
Effects of exchange rate changes on cash and cash equivalents		36	(0)	36
Cash and cash equivalents as at 31 March 2016		**18,990**	**(1,335)**	**17,655**

(All amounts in ₹ Million, unless otherwise stated)

Analysis of changes in cash and cash equivalents for the purposes of consolidated statement of cash flows under Ind AS:

	Notes to first-time adoption	March 31, 2016	April 01, 2015
Cash and cash equivalents as per previous GAAP		18,954	18,703
Bank overdrafts			
Joint venture - equity accounting	1	(1,613)	(1,453)
Cash and cash equivalents for the purpose of statement of cash flows		**17,341**	**17,250**

Note 1: The following assets and liabilities of below entities were consolidated under previous GAAP which are consolidated under equity method as per Ind AS

Name of the Company	Country of Incorporation	% of ownership interest as at March 31, 2016	% of ownership interest as at 1st April 2015
Kyungshin Industrial Motherson Limited	India	50%	50%
Calsonic Kansei Motherson Auto Products Private Limited	India	49%	49%
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	China	50%	50%
Chongqing SMR Huaxiang Automotive Products Limited	China	50%	50%
Eissmann SMP Automotive Interieur Slovensko s.r.o	Slovakia	49%	49%
Global Environment Management (FZC)	UAE	100%	100%
Global Environment Management Australia Pty Limited (held by Global Environment Management (FZC))	Australia	100%	100%
Samvardhana Motherson Nippisun Technology Ltd	India	49.50%	49.50%
Celulosa Fabril S.A. (Zaragoza, ES)	Spain	50%	50%
Modulos Ribera Alto S.LU.	Spain	50%	50%
Woco Motherson Limited (FZC)	U.A.E	-	33.33%
Woco Motherson Elastomers Limited	India	-	33.33%
Woco Motherson Advanced Rubber Technologies Limited	India	-	33.33%

	March 31, 2016	April 01, 2015
Non-current assets	3,682	3,516
Current assets	7,570	6,210
Non-current liabilities	1,183	1,514
Current liabilities	5,404	4,367
Total liabilities	**6,587**	**5,881**
Net assets derecognised	**4,665**	**3,845**
Share of net assets recognised under equity method	**4,665**	**3,845**

The following items of income and expenditure (net of group adjustments) were previously consolidated under previous GAAP which are consolidated under equity method as per Ind AS

	March 31, 2016
Revenue	19,266
Expenses	
Cost of materials consumed	11,677
Changes in inventories of finished goods, work-in-progress and stock in trade	(72)
Excise duty	686
Employee benefit expenses	2,606
Finance costs	132
Depreciation and amortization expense	485
Other expenses	1,786
Total	**17,300**
Profit before tax	**1,966**
Tax expenses	
Current tax	596
Deferred tax expense/ (credit)	(9)
Profit after tax	**1,379**

Impact on account of equity accounting of the joint venture under Ind AS:

	March 31, 2016
Share of profit of joint venture recognised as per equity method	1,379
Share of other comprehensive income (remeasurements) of joint venture recognised as per equity method	(2)

Summarised statement of cash flows of joint venture entities for the year ended March 31, 2016 not considered under Ind AS in the consolidated statement of cash flows

	March 31, 2016
Opening cash and cash equivalents as at 1st April 2015	**1,451**
Cashflow from operating activities	1,029
cash flow from financing activities	(868)
Closing cash and cash equivalents as at March 31, 2016	**1,612**

Notes to first time adoption

Note 2: Programme fees

"Under previous GAAP, programme fee was charged off to profit and loss account but under Ind AS, programme fees incurred is recognised as prepayments and amortised over the life of the program. Accordingly, prepaid expense has increased by ₹211 million as at March 31, 2016 (April 01 2015 : ₹67 million). Program fee amounting to ₹130 million has been amortised during year ended March 31, 2016.

Note 3: Fair valuation of investments

Under the previous GAAP, investments in equity instruments were classified as long-term investments or current investments based on the intended holding period and realisability. Long-term investments were carried at cost less provision for other than temporary decline in the value of such investments. Current investments were carried at lower of cost and fair value. Under Ind AS, these investments are required to be measured at fair value. The resulting fair value changes of these investments have been recognised in other comprehensive income as at the date of transition. Accordingly non current investments has increased by ₹216 million as at March 31 ,2016 (April 01, 2015: ₹211 million) and current investments by ₹6 million as at March 31, 2016 (April 01, 2015: ₹6 million).

Fair value changes with respect to investments in equity instruments designated as at FVOCI have been recognised in FVOCI — Equity investments reserve subsequently in the other comprehensive income for the year ended March 31, 2016. This increased other reserves by ₹4 Million as at March 31, 2016.

Consequent to the above, the total equity as at March 31, 2016 increased by ₹222 million (April 01, 2015 : ₹217 million) and other comprehensive income for the year ended March 31, 2016 increased by ₹4 million.

Note 4: Investment properties

Under the previous GAAP, investment properties were presented as part of non-current investments. Under Ind AS, investment properties are required to be separately presented on the face of the balance sheet. There is no impact on the total equity or profit as a result of this adjustment.

Note 5: Security deposit

Security deposit mainly comprises of deposits given to electricity department, rental deposits etc. These all are short term in nature and hence they have been classified under current financials assets. Their fair value is equal to their carrying value as disclosed in these financial statements. Non current financial assets has decreased and current financial assets has increased by ₹556 million as at March 31, 2016 (April 01, 2015: ₹448 million).

Note 6: Deferred tax

Under previous GAAP, tax expense in the consolidated financial statements was computed by performing line by line addition of tax expense of the parent and its subsidiaries. No adjustments to tax expense was made on consolidation. Under Ind AS, deferred taxes are also recognised on undistributed profits of subsidiaries, joint ventures and associates. Also, deferred tax have been recognised on the adjustments made on transition to Ind AS. Accordingly, deferred tax asset has increased by ₹50 million as at March 31, 2016 (March 31, 2015 : ₹29 million) and deferred tax liability has increased by ₹481 million as at March 31, 2016 (March 31, 2105: ₹456 million).

Note 7: Foreign currency translation reserve

The group elected to reset the balance appearing in the foreign currency translation reserve to zero as at April 01, 2015. Accordingly, translation reserve balance under previous GAAP of ₹1,827 million has been transferred to retained earnings. There is no impact on total equity as a result of this adjustment.

Note 8: Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Under previous GAAP, these transaction costs were charged to profit or loss over the period of the borrowing on a straight line basis. incurred. Accordingly, borrowings as at March 31, 2016 have been reduced by ₹1,197 million (April 01, 2015: ₹991 million).A corresponding adjustment was made to retained earnings and prepaid expenses as at March 31, 2016 which decreased by ₹58 million (April 01, 2015: ₹57 million) . The total equity increased by an equivalent amount. The profit for the year ended March 31, 2016 reduced by ₹80 million, comprising of ₹291 million reduction in exceptional expense and increase in finance cost by 211 million as a result of the additional interest expense.

During the financial year 2015-16 the Company has received a interest free loan of ₹51 million from Pradeshiya Industrial & Investment Corporation of U.P. Ltd. (PICUP) which is amortised based on the effective interest rate method and the amortised portion is treated as government grant and accordingly there is a decrease in borrowings by ₹25 million.

Note 9: Provisions

Under the previous GAAP, discounting of provisions was not allowed. Under Ind AS, provisions are measured at discounted amounts, if the effect of time value is material. Accordingly, non-current provisions have been discounted to their present values. This change reduced the non-current provisions as at March 31, 2016 by ₹178 million Consequent to the same, the profit for the year and equity as at March 31, 2016 increased by an equivalent amount.

Note 10: Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. As a result of this change, employee cost for the year ended March 31, 2016 decreased by ₹54 million.

Under Ind AS, post-employment benefit obligation should be discounted using discount rate determined by reference to market yields on government bonds. However, subsidiaries, joint ventures and associates domiciled outside India may use a rate determined by reference to market yields on high quality corporate bonds at the end of the reporting date. Previous GAAP requires the rate to be used to discount post-employment benefit obligation shall be determined only by reference to the market yields on government bonds in all the cases. Therefore, under Ind AS, the Company has reversed the incremental liability of ₹386 million as at March 31, 2016 (April 01, 2016 : ₹207 million) recognised under the previous GAAP due to the use of government bond rate in case of subsidiaries domiciled outside India which has corporate bond markets. As a result of this change, employee cost for the year ended March 31, 2016 decreased by ₹87 million.

Note 11: Government grants:

Under previous GAAP, certain portion of government grants that were given with reference to total capital outlay amounting to 207 million were credited to capital reserve and treated as part of shareholders' funds. Under Ind AS, Government grants are included as deferred income (Refer note 23) and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income. Consequently, capital reserve decreased by ₹207 million and unamortised portion of grants amounting to ₹112 million recognised as deferred income. Further, an amount of ₹11 million was credited to profit or loss during March 31,2016 and ₹95 million was taken to retained earnings as at April 01, 2015.

Note 12: Proposed dividend

Under the previous GAAP, dividends proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as adjusting events. Accordingly, provision for proposed dividend was recognised as a liability. As per Ind AS 8, such dividends are recognised when the same is approved by the shareholders in the general meeting. Accordingly, the liability for proposed dividend of ₹3,185 million as at April 01, 2015 included under provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the total equity increased by an equivalent amount.

Note 13: Revenue:

Under previous GAAP, revenue in case of sales of tools was recognized upon transfer of significant risk and reward of ownership. Under Ind AS, tooling revenue is recognized on the basis of percentage of completion method and accordingly revenues and costs are recognized basis the stage of completion of tools. Consequently, amount of ₹4,026 million has been recorded as revenues and costs. There is no impact on profit and loss.

Consequent to the above, the total inventory as at March 31, 2016 decreased by ₹20,719 million (April 01, 2015 - ₹16,170 million), trade receivable as at March 31, 2016 increased by ₹15,595 million (April 01, 2015: ₹10,491 million), unbilled revenue as at March 31, 2016 has increased by ₹1,614 million (April 01, 2015: ₹3,826 million), Other non-current liabilities decreased by ₹308 million as at March 2016 (April 01, 2015 : ₹348 million), trade payables as at March 31, 2016 increased by ₹361 million (April 01, 2015 - ₹1,476 million) and other current liabilities has decreased by ₹3,563 million as at March 31, 2016 (April 01, 2015: ₹2,981 million).

Note 14: Cash discount

Under previous GAAP, cash discount was shown separately under other expenses whereas under Ind AS, it has been netted off from revenue. Consequently, amount of ₹13 million pertaining to cash discount has been netted off from revenue.

Note 15: Excise duty

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the statement of profit and loss as part of expenses. There is no impact on the total equity and profit.

Note 16: Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans, fair value gains or (losses) on FVTOCI equity instruments and fair value gains or (losses) on FVTOCI debt instruments net of tax. The concept of other comprehensive income did not exist under previous GAAP. The total comprehensive income for the year ended on March 31, 2016 increased by ₹424 million and other comprehensive income has been recognised as at April 01, 2015 amounting ₹217 million due to such adjustments.

Note 17: Discounting of long term receivables

Under previous GAAP, discounting of long-term receivable was not allowed but under Ind AS, long-term receivable needs to be discounted over the recovery period. The Company has discounted its long-term receivable thereby reducing its receivable and recognizing interest income with corresponding impact on revenue.

Accordingly, receivable has reduced by ₹337 million as at March 31, 2016 (April 01, 2015: ₹131 million) and revenue has decreased by 166 million and profit for the year has decreased by ₹178 million.

Note 18: Changing to equity method of consolidation

Under previous GAAP, certain entities on account of majority share holding were consolidated fully and accordingly elimination of intra group receivables and payables were recorded in consolidated financial statements. As per Ind AS, there entities could not meet the criteria of control as per Ind AS 110 and were accounted as per equity method, therefore no elimination has been recorded for these entities.

Note 19: Borrowing cost

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method.

Accordingly, the retained earning for the period ended on March 31,2016 is increased by ₹4 million.

As per Ind AS 23, borrowing costs includes exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. Consequently exchange loss on external commercial borrowings of ₹665 million coming under other expenses is reclassified to finance cost for the year ended on March 31, 2016. There is no impact on profit for the year.

Note 20: Translation adjustment

In respect of a stepdown subsidiary functional currency was changed as on April 01, 2015 (transition date) and accordingly ₹636 million as at March 31, 2016 (April 01, 2015 : ₹566 million) impact on equity accounted.

48. Business combination

A) Acquisition of PKC Group Plc

The Company entered into a combination agreement on January 19, 2017 with PKC Group Plc a Finish public Company engaged in designing, manufacturing and integrating electrical distribution systems, electronics and related components for the commercial vehicle industry to buy outstanding shares and outstanding equity instruments for Euro 23.55 in cash for each outstanding share and for each outstanding equity instrument a consideration of Euro 23.55 minus the applicable subscription price in cash for each such outstanding equity instrument.

In order to effect the Combination, the Company through its wholly owned subsidiary MSSL Estonia WH OU issued a tender offer to purchase all the above mentioned shares and outstanding options.

The price offered for each share validly tendered in the tender offer was Euro 23.55. The price offered for each 2012B stock option validly tendered was Euro 6.9 and the price offered for each 2012C Stock Option was Euro 0.27.

At the closure of tender offer on March 27, 2017 the Company has become the controlling shareholder of PKC Group Plc owning 93.75% of PKC's outstanding shares and stock options.

The total acquisition cost, paid in cash amounted to Euro 571 million (₹ 40,343 million). This transaction has resulted in goodwill amounting to Euro 231 million (₹ 16,356 million restated as at March 31, 2017 to ₹15,980 million) and certain customer relationships amounting to ₹16,682 million restated as at March 31, 2017 to ₹16,304 million), recorded in these financial statements, which have been disclosed under Intangible assets (Refer Note 5).

The valuation of the acquisition is still under progress and any change in value of business acquired, due to fair valuation, will be subsequently accounted in the books as per the provisions of IND AS 103.

Provisional value of the assets and liabilities recognised as a results of acquisitions are as follows:

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in ₹ Million
Non-current assets	
Property, plant and equipment	3,988
Capital work in progress	370
Other intangible assets	20,542
Non current investments	50
Deferred tax assets (net)	1,546
Other non-current assets	489
Inventories	7,419
Trade receivables	9,841
Cash and cash equivalents	5,638
Other financial assets	1,050
Other current assets	1,502
Borrowings	(12,794)
Provisions	(71)
Deferred tax liabilities (net)	(1,788)
Other non-current liabilities	(314)
Trade payables	(7,438)
Other financial liabilities	(2,231)
Other current liabilities	(2,606)
Net identifiable assets acquired	**25,193**

ii) Calculation of goodwill

Purchase consideration	40,343
Non controlling interest acquired	1,206
Net identifiable assets acquired	(25,193)
Goodwill	**16,356**

B) Acquisition of control in Celulosa Fabril S.A.

Celulosa Fabril S.A. (CEFA) is a leading Spanish company in the development and production of components for the automobile industry based mainly on the technology of injection of plastic materials. It is the parent company of Módulos Ribera Alta, S.L ("MRA").

In 1994 CEFA got into a strategic alliance with erstwhile Peguform Group (which was later on acquired by SMRP BV Group), whom under a joint venture agreement became shareholder by the ownership of 50% stake in the Group. CEFA focuses on Spanish market where it is amongst the three leading suppliers for instrument panels and door trims.

Following a change in composition of the board of directors of CEFA, the Group through its subsidiaries gained majority control over CEFA with effect from December 20, 2016.

CEFA was treated as a joint venture in the consolidated financial statements of the Group prior to December 20, 2016 and accounted for using equity method of accounting prescribed by Ind AS 28. As a result of above event, the Group through its subsidiaries is regarded parent of CEFA within the framework of Ind AS 110 and accordingly CEFA along with its subsidiary Modulos Ribera Alta S.L.U. is treated as a subsidiary of the Group with effect from December 20, 2016. The acquisition of additional control did not involve payment of any further purchase consideration.

The Group held equity interest of ₹ 1,603 million (EUR 21.8 million) in CEFA prior to December 20, 2016 which was accounted for using the equity method.

The previously held equity interest in CEFA was stepped up to fair value on the date of obtaining majority control, this resulted in fair value exceeding the existing book value of equity interest investment by ₹ 466 million (EUR 6.3 million), recognised under other income in statement of profit or loss.

The assets and liabilities recognised as a results of acquisitions are as follows:

i) Assets and Liabilities recognized as result of acquisition are as follows:

The Group held equity interest of ₹ 1,603 million (EUR 21.8 million) in CEFA prior to December 20, 2016 which was accounted for using the equity method.

Particulars	Amount in ₹ Million (Fair value)
Property, plant and equipment	2,183
Capital work in progress	113
Other intangible assets	154
Deferred tax assets (net)	52
Other non-current assets	541
Inventories	272
Trade receivables	2,446
Cash and cash equivalents	169
Other financial assets	474
Other current assets	1

Particulars	Amount in ₹ Million (Fair value)
Borrowings	(731)
Employee benefit obligations	(4)
Deferred tax liabilities (net)	(211)
Trade payables	(1,119)
Other current liabilities	(423)
Current tax liability	(335)
Total identifiable net assets	**3,582**
Excess of fair value over identifiable net assets {refer note below}	442
Net identifiable assets acquired	**4,024**

Note: The Group recognised goodwill amounting to ₹ 221 million (50% of ₹ 442 million) on account of excess of fair value over identifiable assets.

C) Acquisition of Kobek Siebdruck GmbH & Co. KG

On January 02, 2017 the Group through its subsidiaries acquired 100% of the issued share capital of Kobek Siebdruck GmbH & Co. KG (hereinafter 'Kobek'). Kobek is a specialist in lightning solutions and has been a supplier to the Group's subsidiaries. The acquisition adds new technology to the Group and will help expand Group's ability to cater to customers demand and develop unique solutions. Kobek has been subsequently renamed as "Motherson Innovations Lights GmbH & Co. KG" as of March 31, 2017.

Details of the net assets acquired and goodwill are as follows:

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in ₹ Million (Fair value)
Property, plant and equipment	4
Other intangible assets	103
Inventories	8
Trade receivables	6
Cash and cash equivalents	1
Other financial assets	6
Borrowings	(8)
Provisions	(0)
Trade payables	(2)
Current tax liability	(8)
Net identifiable assets acquired	**110**

ii) Calculation of goodwill

Purchase consideration	110
Net identifiable assets acquired	(110)
Goodwill	**-**

49 In accordance with the MCA notification G.S.R. 308(E) dated March 30, 2017, details of Specified Bank Notes (SBN) and Other Denomination Notes (ODN) held and transacted during the period from November 8, 2016 to December 30, 2016, is as below in respect of entities in India :

Amount in ₹

	SBNs	Other denomination notes	Total
Closing cash in hand as on November 08, 2016	38,936,000	8,636,777	47,572,777
Add: Permitted receipts	-	7,592,349	7,592,349
Less: Permitted payments	21,500	6,784,838	6,806,338
Less: Amount deposited in Banks	38,914,500	-	38,914,500
Closing cash in hand as on December 30, 2016	**-**	**9,444,288**	**9,444,288**

50 During the year ended March 31, 2017, the Company on September 12, 2016 and September 16, 2016, has made allotment of 17,762,460 equity shares and 62,884,827 equity shares of ₹1 each to Sumitomo Wiring Systems Japan and Qualified Institutional Buyers respectively at an issue price of ₹317 per equity share (including premium of ₹316 per equity share). Share issue expenses amounting to ₹289 million has been charged to Securities Premium Account as per the provisions of Companies Act 2013. The proceeds from the issue have been utilised for the business combination (refer note 48 A).

51. Offsetting Financial Assets and Financial Liabilities:

The following table present the Group's financial assets and liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements:

As on March 31, 2017

Trade receivables	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
March 31, 2017	55,005	4,061	50,944
March 31, 2016	45,573	3,743	41,830
March 31, 2015	35,460	2,942	32,518

52. Construction contracts

The net position of constructions contracts and amount due to/from customers for contract work comprises the following:

	March 31, 2017	March 31, 2016	April 01, 2015
The aggregate amount of costs incurred and recognised profits (less recognised losses) to date	25,512	17,398	-
The amount of advances received	4,876	4,990	-
The amount of contract revenue recognised as revenue in the period	35,440	33,102	-
The gross amount due from customers for contract work as an asset	25,326	21,643	17,388
The gross amount due to customers for contract work as a liability	4,876	1,246	1,170

(All amounts in ₹ Million, unless otherwise stated)

53. The Group is required to comply with the local transfer pricing regulations, which are contemporaneous in nature. The companies in the Group appoint independent consultants annually for conducting the transfer pricing study to determine whether the transactions with the associate enterprises are undertaken during the financial year on an arm's length basis. Adjustments, if any, arising from the transfer pricing study in the respective jurisdiction shall be accounted for as and when the study is completed for the current financial year. The management is of the opinion that its international and domestic transactions are at arm's length so that aforesaid legislation will not have any impact on the financial statements.

54. During the year ended March 31, 2017, one of the subsidiaries of the Company, Samvardhana Motherson Automotive Systems Group "SMRP BV" or "the Subsidiary") issued USD 400 million (₹ 25,622 million) 4.875% Senior Secured Notes due 2021 (the "Notes") which will mature on December 16, 2021. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange.

The Notes carry a prepayment option and as per the terms of the indenture The Group may at any time on or after June 16, 2019, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to June 16, 2019, The Group is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to June 16, 2019, The Group may redeem, at its option, up to 35% of the principal amount of the Notes at a redemption price equal to 104.875% of the principal amount of the Notes, plus accrued and unpaid interest, if any, up to the redemption date.

The Notes are structured as senior secured obligations and will rank pari passu in right of payment with all the existing and future senior obligations of SMRP BV, including the obligations under the 2025 Notes, the 2021 Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.

The notes are recognised on an amortised cost basis until extinguished on prepayment or maturity of the notes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

RAJIB CHATTERJEE
Partner
Membership No.: 057134

Place: Noida
Date : May 19, 2017

For and on behalf of the Board

V.C. SEHGAL
Chairman

NORIYO NAKAMURA
Director

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer &
Company Secretary

(All amounts in ₹ Million, unless otherwise stated)

Statement pursuant to first proviso to sub-section (3) of section 129 of the Comapnies Act 2013, read with rule 5 of companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding	Country
1	MSSL Mideast (FZE)	March 31,2017	EUR	69.05	6,506	14,614	21,611	491	3,947	3,161	690	-	690	100%	UAE
2	Motherson Electrical Wires Lanka Private Limited	March 31,2017	USD	64.85	10	729	761	22	-	1,074	158	19	139	100%	Sri Lanka
3	MSSL (GB) Limited	March 31,2017	GBP	81.35	18,473	7,952	31,436	5,010	2,065	866	-378	-	-378	100%	UK
4	MSSL Japan Limited	March 31,2017	JPY	0.58	10	96	252	146	-	1,172	34	11	23	100%	Japan
5	MSSL WH System (Thailand) Co. Ltd	March 31,2017	THB	1.89	283	-245	529	490	-	803	-14	-	-14	100%	Thailand
6	MSSL Korea WH Limited	March 31,2017	KRW	0.06	12	-18	63	70	-	139	1	-	1	100%	Korea
7	MSSL México, S.A. De C.V.	December 31,2016	MXP	3.46	395	-115	597	317	-	1,127	94	4	90	100%	Mexico
8	MSSL Wiring System Inc	March 31,2017	USD	64.85	-	-117	5,674	5,791	-	13,061	217	-	217	100%	USA
9	Alphabet de Mexico, S.A. de C.V.	December 31,2016	MXP	3.46	6	279	476	190	-	1,522	89	35	54	100%	Mexico
10	Alphabet de Mexico de Monclova, S.A. de C.V.	December 31,2016	MXP	3.46	0	139	227	89	-	737	64	29	36	100%	Mexico
11	Alphabet de Saltillo, S.A. de C.V.	December 31,2016	MXP	3.46	0	115	237	122	-	766	68	30	38	100%	Mexico
12	MSSL Wirings Juarez S.A. de C.V.	December 31,2016	MXP	3.46	0	2	16	13	-	96	5	3	2	100%	Mexico
13	MSSL Tooling (FZE)	March 31,2017	EUR	69.05	2	568	729	159	-	653	148	-	148	100%	UAE
14	MSSL Global RSA Module Engineering Limited	March 31,2017	ZAR	4.83	290	820	3,645	2,535	-	5,018	922	202	720	100%	South Africa
15	Vacuform 2000 (Proprietary) Limited	March 31,2017	ZAR	4.83	5	-46	431	472	-	769	34	-	34	51%	South Africa
16	MSSL Australia Pty Limited	March 31,2017	AUD	49.46	173	44	275	58	0	-	8	-2	5	80%	Australia
17	Motherson Elastomers Pty Limited	March 31,2017	AUD	49.46	0	269	684	415	-	1,181	38	-9	30	100%	Australia
18	Motherson Investments Pty Limited	March 31,2017	AUD	49.46	0	-1	184	185	-	-	7	-3	4	100%	Australia
19	MSSL Ireland Private Limited	March 31,2017	EUR	69.05	3	19	25	3	-	-	4	-0	3	100%	Ireland
20	MSSL Mauritius Holdings Limited	March 31,2017	EUR	69.05	2,612	510	3,419	297	1,739	-	586	-2	584	100%	Mauritius

(All amounts in ₹ Million, unless otherwise stated)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding	Country
21	MSSL (S) Pte Limited	March 31,2017	SGD	46.43	954	-117	839	2	575	6	-1	-0	-1	100%	Singapore
22	Motherson Wiring System (FZE)	March 31,2017	EUR	69.05	2	-112	70	180	-	-	2	-	2	100%	UAE
23	Samvardhana Motherson Global Holdings Ltd.	March 31,2017	EUR	69.05	139	61,300	62,078	639	62,076	-	-43	-	-43	51%	Cyprus
24	Samvardhana Motherson Polymers Limited	March 31,2017	INR	1.00	38	490	529	1	528	-	-15	-	-15	51%	India
25	MSSL Automobile Component Ltd	March 31,2017	INR	1.00	1	-0	0	0	-	-	-0	-	-0	100%	India
26	Samvardhana Motherson Nippisun Technology ltd.	March 31,2017	INR	1.00	90	-103	27	41	-	-	-	-	-	100%	India
27	MSSL Consolidated Inc.	March 31,2017	USD	64.85	-	-519	2,242	2,761	2,211	-	-93	-	-93	100%	USA
28	MSSL Overseas Wiring system Ltd	March 31,2017	GBP	81.35	0	0	0	-0	-	-	-	-	-	100%	UK
29	MSSL Estonia WH OÜ	March 31,2017	EUR	69.05	0	-934	42,850	43,784	39,431	-	-934	-	-934	100%	Estonia
30	MSSL GmbH	December 31,2016	EUR	69.05	17	1,123	3,642	2,502	598	1,298	110	-	110	100%	Germany
31	Samvardhana Motherson Invest Deutschland GmbH	December 31,2016	EUR	69.05	14	66	147	67	-	42	-	-	-	100%	Germany
32	MSSL Advanced Polymers s.r.o.	December 31,2016	CZK	2.56	5	321	1,403	1,077	-	1,984	166	29	137	100%	Czech Republic
33	Motherson Orca Precision Technology GmbH	December 31,2016	EUR	69.05	69	5	632	558	0	484	18	-	18	95.10%	Germany
34	MSSL s.r.l. Unipersonale	December 31,2016	EUR	69.05	1	6	14	7	-	16	1	-	1	100%	Italy
35	Motherson Techno Precision México, S.A. de C.V	December 31,2016	MXP	3.46	0	-215	452	667	-	649	-1	50	-50	100%	Mexico
36	Samvardhana Motherson Polymers Management Germany GMBH	December 31,2016	EUR	69.05	2	0	2	0	-	-	0	0	0	100%	Germany
37	MSSL Manufacturing Hungary Kft	March 31,2017	EUR	69.05	1	183	956	772	-	58	-1	2	-3	100%	Hungary
38	Samvardhana Motherson Automotive Systems Group B.V.	March 31,2017	EUR	69.05	5	66,613	135,224	68,606	72,871	14	5,674	-	5,674	100%	Netherlands
39	Samvardhana Motherson Peguform GmbH	March 31,2017	EUR	69.05	2	-631	9,177	9,806	8,432	96	-215	874	-1,089	100%	Germany
40	Samvardhana Motherson Innovative Autosystems Holding Company BV	March 31,2017	EUR	69.05	7	-1	9	4	-	3	-7	-	-7	100%	Netherlands

(All amounts in ₹ Million, unless otherwise stated)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding	Country
41	SMP Automotive Interiors (Beijing) Co. Ltd	December 31,2016	CNY	9.42	400	-394	4,502	4,495	-	3,314	-116	-	-116	100%	China
42	SMP Exterior Automotive GmbH	March 31,2017	EUR	69.05	2	1,153	8,398	7,243	2	11,187	-101	15	-86	100%	Germany
43	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	March 31,2017	EUR	69.05	207	2,566	5,031	2,258	-	13,820	1,303	175	1,128	100%	Germany
44	SM Real Estate GmbH	March 31,2017	EUR	69.05	2	50	775	723	-	125	30	0	29	100%	Germany
45	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V	December 31,2016	MXP	3.46	864	-406	699	241	-	601	46	-146	192	1%	Mexico
46	SMP Deutschland GmbH	March 31,2017	EUR	69.05	2	5,120	41,091	35,969	948	89,419	3,922	122	3,800	100%	Germany
47	SMP Automotive Solutions Slovakia s.r.o	March 31,2017	EUR	69.05	0	-1,133	312	1,444	-	1,717	-80	-	-80	100%	Slovakia
48	SMP Logistik Service GmbH	March 31,2017	EUR	69.05	2	35	82	45	-	343	2	1	1	100%	Germany
49	Changchun Peguform Automotive Plastics Technology Co., Ltd.	December 31,2016	CNY	9.42	782	4,667	9,217	3,768	203	12,750	2,092	330	1,763	50% +1share	China
50	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	December 31,2016	CNY	9.42	13	-26	3	16	-	-	0	-	0	100%	China
51	Foshan Peguform Automotive Plastics Technology Co. Ltd.	December 31,2016	CNY	9.42	264	-17	727	480	-	278	-17	13	-30	100%	China
52	SMP Automotive Technology Iberica S.L.	March 31,2017	EUR	69.05	982	1,003	20,383	18,398	4,912	15,989	1,382	614	768	100%	Spain
53	SMP Automotive Technologies Teruel Sociedad Limitada	March 31,2017	EUR	69.05	35	173	437	229	-	890	143	32	111	100%	Spain
54	Samvardhana Motherson Peguform Barcelona S.L.U	March 31,2017	EUR	69.05	17	434	4,987	4,536	-	32,774	453	112	341	100%	Spain
55	SMP Automotive Produtos Automotivos do Brasil Ltda.	March 31,2017	BRL	20.76	5,248	-6,654	1,725	3,130	-	6,213	-693	-	-693	100%-1share	Brazil
56	SMP Automotive Systems Mexico S.A. de C.V.	December 31,2016	USD	64.85	4,119	-1,412	13,643	10,936	-	5,432	-218	67	-285	100%-1share	Mexico
57	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.	March 31,2017	EUR	69.05	7	187	1,398	1,204	-	4,957	144	17	127	100%	Portugal

(All amounts in ₹ Million, unless otherwise stated)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding	Country
58	SMP Automotive Systems Alabama Inc.	March 31,2017	USD	64.85	-	-847	8,877	9,724	-	-	-1,150	-438	-712	100%	USA
59	Celulosa Fabril (Cefa) S.A. (Zaragoza, ES)	December 31,2016	EUR	69.05	4	1,660	3,898	2,234	157	5,337	590	150	440	50%	Spain
60	Modulos Rivera Alta S.L.U.	December 31,2016	EUR	69.05	138	1,278	1,977	561	-	3,516	791	198	594	50%	Spain
61	Motherson Innovations Lights GmbH & Co KG	March 31,2017	EUR	69.05	0	9	11	38	-	20	-2	-1	-2	100%	Germany
62	Motherson Innovations Lights Verwaltungs GmbH	March 31,2017	EUR	69.05	2	-	-	0	-	-	0	-	0	100%	Germany
63	Samvardhana Motherson Reflectec Group Holdings Limited	March 31,2017	EUR	69.05	2,103	8,337	13,032	2,592	6,389	-	2,523	-	2,523	100%	Jersey
64	SMR Automotive Holding Hong Kong Limited	March 31,2017	EUR	69.05	159	17	234	58	175	-	62	6	56	100%	Hong Kong
65	SMR Automotive Technology Holding Cyprus Limited	March 31,2017	EUR	69.05	138	5,660	6,623	825	6,619	-	240	-	240	100%	Cyprus
66	SMR Automotive Mirror Systems Holding Deutschland GmbH	March 31,2017	EUR	69.05	2	1,529	2,860	1,329	230	-	1,666	133	1,533	100%	Germany
67	SMR Automotive Mirrors Stuttgart GmbH	March 31,2017	EUR	69.05	2	465	1,822	1,355	7	75	14	23	-9	100%	Germany
68	SMR Automotive Modules Korea Ltd.	December 31,2016	KRW	0.06	234	4,491	9,214	4,490	1,423	21,337	1,019	-15	1,034	100%	Korea
69	SMR Hyosang Automotive Ltd.	December 31,2016	KRW	0.06	26	1,390	2,950	1,535	-	7,068	364	79	286	100%	Korea
70	SMR Holding Australia Pty Ltd.	March 31,2017	AUD	49.46	1,678	7	1,755	70	1,601	-	448	-0	448	100%	Australia
71	SMR Automotive Australia Pty Limited	March 31,2017	AUD	49.46	558	958	2,861	1,345	9	5,644	724	224	500	100%	Australia
72	SMR Automotive Mirror Technology Hungary BT	March 31,2017	EUR	69.05	70	3,084	16,344	13,190	-	27,843	930	85	845	100%	Hungary
73	SMR Grundbesitz GmbH & Co. KG	March 31,2017	EUR	69.05	4	285	375	86	-	-	11	5	7	93%	Germany
74	SMR Automotive (Langfang) Co. Ltd	December 31,2016	CNY	9.42	459	-766	2,526	2,833	-	2,929	-294	0	-294	90%	China
75	SMR Automotive Mirror Parts and Holdings UK Ltd	March 31,2017	EUR	69.05	0	9,810	13,243	3,433	4,103	-	1,374	-	1,374	100%	UK

(All amounts in ₹ Million, unless otherwise stated)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding	Country
76	SMR Automotive Mirrors UK Limited	March 31,2017	EUR	69.05	0	825	3,433	2,607	-	10,747	336	-6	341	100%	UK
77	SMR Automotive Technology Valencia S.A.U.	March 31,2017	EUR	69.05	172	-9	168	5	4	-	-10	-3	-8	100%	Spain
78	SMR Automotive Industries RUS Limited Liability Company	March 31,2017	GBP	81.35	24	-4	24	4	-	-	-4	-1	-4	100%	Russia
79	SMR Automotive Mirror International USA Inc.	March 31,2017	USD	64.85	4,915	3,878	9,253	460	5,369	-	3,267	-	3,267	100%	USA
80	SMR Automotive Systems USA Inc.	March 31,2017	USD	64.85	5	4,528	8,787	4,254	-	26,330	4,437	1,483	2,954	100%	USA
81	SMR Automotive Systems France S.A.	March 31,2017	EUR	69.05	952	-850	1,888	1,786	-	4,462	-493	-	-493	100%	France
82	SMR Automotive Systems India Limited	March 31,2017	INR	1.00	137	1,536	2,662	989	-	6,010	703	221	482	100%	India
83	SMR Automotive Yancheng Co. Limited	December 31,2016	CNY	9.42	184	611	1,287	491	-	1,870	216	55	161	100%	China
84	SMR Automotive Beijing Company Limited	December 31,2016	CNY	9.42	32	298	812	482	-	2,307	-4	2	-7	100%	China
85	SMR Automotive Mirror Technology Holding Hungary KFT	March 31,2017	EUR	69.05	2	2,256	2,261	3	1,947	-	720	0	720	100%	Hungary
86	SMR Automotive Systems Spain S.A.U	March 31,2017	EUR	69.05	81	396	2,502	2,026	152	4,058	603	137	465	100%	Spain
87	SMR Automotive Vision Systems Mexico S.A de C.V	December 31,2016	USD	64.85	469	1,387	4,232	2,375	19	5,301	604	189	414	100%	Mexico
88	SMR Automotive Servicios Mexico S.A de C.V	December 31,2016	MXP	3.46	0	46	47	-	-	-	-0	-	-0	100%	Mexico
89	SMR Patents S.à.r.l.	March 31,2017	EUR	69.05	1	-4	65	68	-	-	-17	-28	11	100%	Germany
90	SMR Automotive Beteiligungen Deutschland GmbH	March 31,2017	EUR	69.05	2	132	308	174	-	-	12	-	12	100%	Germany
91	SMR Automotive Brasil Ltda.	March 31,2017	BRL	20.76	1,714	-892	1,412	590	-	1,967	74	24	50	100%	Brasil
92	SMR Automotives Systems Macedonia Dooel Skopje	March 31,2017	EUR	69.05	0	-13	0	13	-	-	-	-	-	100%	Macedonia
93	SMR Automotive System (Thailand) Limited	March 31,2017	THB	1.89	892	-427	805	341	-	860	-27	-	-27	100%	Thailand
94	SMR Automotive Operations Japan K.K.	March 31,2017	JPY	0.58	15	37	82	31	-	116	22	8	14	100%	Japan

(All amounts in ₹ Million, unless otherwise stated)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding	Country
95	SMR Automotive Vision System Operations USA INC .	March 31,2017	USD	64.85	0	3,864	12,942	9,078	3,666	-	-0	-197	197	100%	USA
96	SMR Mirror UK Limited	March 31,2017	EUR	69.05	0	777	9,856	9,078	9,856	-	-582	-	-582	100%	UK
97	Motherson Innovations Company Ltd.	March 31,2017	EUR	69.05	837	-468	457	88	417	-	-468	-	-468	100%	UK
98	Samvardhana Motherson Global (FZE)	March 31,2017	USD	64.85	3	46	87	38	-	-	40	-	40	100%	UAE
99	Motherson Innovations Deutschland GMBH	March 31,2017	EUR	69.05	2	-0	2	-	-	-	0	-	0	100%	Germany
100	PKC Group Plc	December 31,2016	EUR	69.05	429	9,643	25,420	15,347	141	34	610	1	609	100%	Finland
101	PKC Wiring Systems Oy	December 31,2016	EUR	69.05	15	5,613	25,002	19,374	1,533	228	708	52	656	100%	Finland
102	PKC Netherlands Holding B.V.	December 31,2016	EUR	69.05	3	287	295	4	-	-	29	-	29	100%	Netherlands
103	PKC Group Poland Sp. z o.o.	December 31,2016	PLN	16.35	335	-12	2,538	2,215	150	6,174	352	77	275	100%	Poland
104	PKC Wiring Systems Llc	December 31,2016	RSD	0.56	962	-828	641	508	148	372	-407	-6	-401	100%	Serbia
105	PKC Group APAC Limited	December 31,2016	HKD	8.34	4	-365	2,399	2,760	614	-	-149	-	-149	100%	Hong Kong
106	PKC Group Canada Inc.	December 31,2016	CND	48.72	688	-210	472	-6	-	26	-97	-26	-71	100%	Canada
107	PKC Group USA Inc.	December 31,2016	USD	64.85	877	-9,260	5,565	13,949	-	-	-853	-	-853	100%	USA
108	PKC Group Mexico S.A. de C.V.	December 31,2016	MXP	3.46	0	143	144	1	-	-	-0	0	-1	100%	Mexico
109	Project del Holding S.a.r.l.	December 31,2016	EUR	69.05	526	605	1,135	3	-	-	-2	-	-2	100%	Luxembourg
110	PK Cables do Brasil Ltda	December 31,2016	BRL	20.76	6,757	-5,537	2,637	1,416	73	3,065	222	90	132	100%	Brazil
111	PKC Eesti AS	December 31,2016	EUR	69.05	71	7,974	10,176	2,132	152	9,930	1,260	138	1,122	100%	Estonia
112	TKV-sarjat Oy	December 31,2016	EUR	69.05	1	7	66	58	-	-	16	0	15	100%	Finland
113	PKC SEGU Systemelektrik GmbH	December 31,2016	EUR	69.05	2	3	545	541	13	1,138	-242	-3	-240	100%	Germany
114	PK Cables Nederland B.V.	December 31,2016	EUR	69.05	1	2	4	1	-	-	0	-	0	100%	Netherlands
115	Groclin Luxembourg S.à r.l.	December 31,2016	EUR	69.05	184	1,365	1,552	3	-	-	-1	0	-2	100%	Luxembourg
116	PKC Vehicle Technology (Suzhou) Co., Ltd.	December 31,2016	CNY	9.42	288	-618	148	478	15	98	-257	-1	-255	100%	China
117	AEES Inc.	December 31,2016	USD	64.85	0	4,631	15,159	10,528	652	32,516	912	24	889	100%	USA
118	PKC Group Lithuania UAB	December 31,2016	EUR	69.05	10	188	612	414	209	1,381	83	4	79	100%	Lithuania
119	PKC Group Poland Holding Sp. z o.o.	December 31,2016	PLN	16.35	343	398	4,322	3,581	60	-	7	-1	7	100%	Poland
120	OOO AEK	December 31,2016	RUB	0.87	61	111	447	275	22	477	-36	-6	-31	100%	Russia

(All amounts in ₹ Million, unless otherwise stated)

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Exchange Rate	Share capital	Reserves & surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	% of shareholding	Country
121	Kabel-Technik-Polska Sp. z o.o.	December 31,2016	PLN	16.35	257	503	3,841	3,081	135	5,351	31	-4	34	100%	Poland
122	AEES Power Systems Limited partnership	December 31,2016	USD	64.85	-	1,249	1,662	413	1	828	272	115	158	100%	USA
123	T.I.C.S. Corporation	December 31,2016	USD	64.85	0	0	0	0	0	0	0	-	0	100%	USA
124	Fortitude Industries Inc.	December 31,2016	USD	64.85	0	0	0	0	0	0	0	-	0	100%	USA
125	AEES Manufactuera, S. De R.L de C.V.	December 31,2016	MXP	3.46	58	737	1,151	356	195	1,885	39	11	28	100%	Mexico
126	Cableodos del Norte II, S. de R.L de C.V.	December 31,2016	MXP	3.46	0	91	392	301	-	2,014	94	32	62	100%	Mexico
127	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	December 31,2016	MXP	3.46	1	2	26	23	-	-	-0	0	-0	100%	Mexico
128	Arneses y Accesorios de México, S. de R.L de C.V.	December 31,2016	MXP	3.46	0	65	734	669	-	3,310	155	48	106	100%	Mexico
129	Asesoria Mexicana Empresarial, S. de R.L de C.V.	December 31,2016	MXP	3.46	7	63	141	71	0	496	25	8	18	100%	Mexico
130	Arneses de Ciudad Juarez, S. de R.L de C.V.	December 31,2016	MXP	3.46	0	16	65	49	-	322	14	5	9	100%	Mexico
131	PKC Group de Piedras Negras, S. de R.L. de C.V.	December 31,2016	MXP	3.46	0	7	97	90	-	606	27	6	21	100%	Mexico
132	PKC Group AEES Commercial S. de R.L de C.V	December 31,2016	MXP	3.46	0	10	233	223	-	227	16	4	12	100%	Mexico
133	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	December 31,2016	CNY	9.42	1,130	990	3,028	907	145	2,921	350	100	250	50%	China
134	PKC Vechicle Technology (Hefei) Co, Ltd.	December 31,2016	CNY	9.42	188	0	191	3	3	-	0	-	0	50%	China

Notes:
1. Investment includes invement in subsidiaries and joint venture entities.
2. Proposed divident from any of the subsidiary is nil.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Latest audited Balance Sheet Date	Shares of Associate/Joint Ventures held by the company on the year end			Description of how there is significant influence	Reason why the associate/joint venture is not Consolidated	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
		No.	Amount of Investment in Associates/Joint Venture	Extend of Holding %				Considered in Consolidation	Not Considered in Consolidation
Saks Ancillaries Limited	March 31, 2017	1,000,000	11	40.01%	Note 1	The Company carries out the equity method of accounting	35	5	
Re-time Pty Limited	June 30, 2016	350	9	35%	Note 1	The Company carries out the equity method of accounting	9	-10	
Ningbo SMR Huaxiang Automotive Mirrors Co. Limited	December 31, 2016	-	219	50%	As per Joint venture agreement	The Company carries out the equity method of accounting	938	376	
Chongqing SMR Huaxiang Automotive Products Limited	December 31, 2016	-	377	50%	As per Joint venture agreement	The Company carries out the equity method of accounting	331	127	
Kyungshin Industrial Motherson Limited	March 31, 2017	8,600,000	86	50%	As per Joint venture agreement	The Company carries out the equity method of accounting	1,686	1,280	
Calsonic Kansei Motherson Auto Products Private Limited	March 31, 2017	30,930,836	400	49%	As per Joint venture agreement	The Company carries out the equity method of accounting	508	230	
Eissmann SMP Automotive interieur Slovakia s.r.o.	December 31, 2016	2,633	0	49%	As per Joint venture agreement	The Company carries out the equity method of accounting	353	145	
Global Environment Management (FZC)	March 31, 2017	6,116,642	235	78.82%	As per Joint venture agreement	The Company carries out the equity method of accounting	-3	-0	
Global Environment Management Australia Pty Limited	March 31, 2017	2	0	100%	As per Joint venture agreement	The Company carries out the equity method of accounting	4	-0	

Note:

1. The Company has power to participate in the financial in the operating policy decision but dose not have control or joint control over those policies.

Notes

ERRATA

ANNUAL REPORT 2016-17

1. On page 244, CONSOLIDATED CASH FLOW STATEMENT, Increase / (decrease) in government grant reported under Change in working capital should be read as (Increase) / decrease in trade receivables.

Printed at IPP Ltd.

Motherson Sumi
Systems Limited

Proud to be part of samvardhana **motherson**