motherson sumi
systems limited

July 19, 2019

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

Scrip Code : MOTHERSUMI

BSE Limited
1st Floor, New Trading Ring
Rotunda Building
P.J. Towers, Dalal Street
Fort
MUMBAI – 400001, India

Scrip Code : 517334

Subject: **Disclosure under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015**

Dear Sir/ Madam,

Pursuant to Regulation 34(1)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of Annual Report for the financial year ended March 31, 2019 along with the notice of 32nd Annual General Meeting scheduled to be held on Wednesday, August 14, 2019 at 11:30 A.M. at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, (near Sayani Road), Prabhadevi, Mumbai – 400025 are enclosed herewith for your kind records.

The said Annual Report, AGM notice and further details may be accessed on website of the Company at www.motherson.com.

Thanking you,

Yours truly,
For Motherson Sumi Systems Limited

Alok Goel
Company Secretary

MOTHERSON SUMI SYSTEMS LTD.

motherson sumi systems limited

MOTHERSON SUMI SYSTEMS LIMITED

(CIN- L34300MH1986PLC284510)
Regd. Office: Unit – 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051, Maharashtra
Phone: +91 022-40555940; Fax: +91 022-40555940
Corporate Office: Plot No.1, Sector 127, Noida-201301 (Uttar Pradesh)
Phone: +91 120 6679500; Fax: +91 120 2521866;
Email: investorrelations@motherson.com;Website: www.motherson.com
Investor Relations Phone Number:+91 120 6679500

NOTICE

Notice is hereby given that the 32nd (Thirty Second) Annual General Meeting of the members of Motherson Sumi Systems Limited is scheduled to be held on Wednesday, August 14, 2019 at 11:30 A.M. at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, (near Sayani Road), Prabhadevi, Mumbai – 400025 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt:
   a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with reports of the Board of Directors and Auditors thereon; and
   b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the report of Auditors thereon.
2. To declare dividend on equity shares for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. Pankaj Mital (DIN-00194931), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to provisions of the section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 (herein after referred to as the **"Act"**), the Companies (Appointment and Qualification of Directors) Rules, 2014 and regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) regulations, 2015 (herein after referred to as **"SEBI Regulations"**), including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Sushil Chandra Tripathi, IAS (Retd.) (DIN-00941922), who was appointed as an Independent Director of the Company to hold office up to the date of 32nd Annual General Meeting and will attain the age of 75 (seventy five) years on January 01, 2021 and who has submitted a declaration that he meets criteria of independence as provided in the sub- section 6 of section 149 of the Act and regulation 16(1)(b) of SEBI Regulations and who is eligible for re-appointment for second term of 5 (five) consecutive years, be and is hereby appointed as an Independent Director of the Company, for a second term to hold the office for 5 (five) consecutive years from conclusion of 32nd Annual General Meeting of the Company up to March 31, 2024.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions/steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to provisions of the section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 (herein after referred to as the **"Act"**), the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Arjun Puri (DIN-00211590), who was appointed as an Independent Director of the Company to hold office up to the date of 32nd Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in the sub-section 6 of section 149 of the Act and regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment for second term of 5 (five) consecutive years, be and is hereby appointed as an Independent Director of the Company for a second term to hold the office for 5 (five) consecutive years from conclusion of 32nd Annual General Meeting of the Company up to March 31, 2024.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to provisions of the section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 (herein after referred to as the **"Act"**), the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, Mr. Gautam Mukherjee (DIN-02590120), who was appointed as an Independent Director of the Company to hold office up to the date of 32nd Annual General Meeting and who has submitted a declaration that he meets the criteria of independence as provided in the sub-section 6 of section 149 of the Act and regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment for second term of 5 (five) consecutive years, be and is hereby appointed as an Independent Director of the Company for a second term to hold the office for 5 (five) consecutive years from conclusion of 32nd Annual General Meeting of the Company up to March 31, 2024.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to provisions of the section 149, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 (herein after referred to as the **"Act"**), the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, Ms. Geeta Mathur (DIN-02139552), who was appointed as an Independent Director of the Company to hold office up to the date of 32nd Annual General Meeting and who has submitted a declaration that she meets the criteria of independence as provided in the sub-section 6 of section 149 of the Act and regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for re-appointment for second term of 5 (five) consecutive years, be and is hereby appointed as an Independent Director of the Company for a second term to hold the office for 5 (five) consecutive years from conclusion of 32nd Annual General Meeting of the Company up to March 31, 2024.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of section 148(3) and other applicable provisions (if any) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. M.R. Vyas and Associates, Practicing Cost and Management Accountants appointed by the Board of Directors of the Company as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2019-20, amounting to ₹ 13,75,000 (excluding applicable taxes) in connection with the aforesaid audit be and is hereby ratified and confirmed.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of section 152, 161 and any other applicable provisions of the Companies Act, 2013 (herein after referred to as the **"Act"**), read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 104 of the Articles of Association of the Company, Mr. Takeshi Fujimi (DIN:08501292) who was appointed as an Additional Director by the Board of Directors with effect from July 11, 2019 and whose term of office expires at this Annual General Meeting and in respect of whom a notice under Section 160 of the Act has been received from a member proposing Mr. Takeshi Fujimi as a candidate for the office of Director, be and is hereby appointed as a Director of the Company who shall be liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to perform all acts, deeds, matters or things and take such decisions / steps as may be necessary, expedient or desirable to give effect to aforesaid resolution."

By order of Board

Alok Goel

Place: Noida — Company Secretary

Date: July 11, 2019 — Membership No. – FCS 4383

Regd Office:

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

NOTES

1. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (**"the Act"**) setting out material facts concerning the business under Item Nos. 4 to 9 of the Notice, is annexed hereto.

2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS PROXY / PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

   PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED WITH THE COMPANY AT ITS REGISTERED OFFICE, DULY COMPLETED AND SIGNED, AT ANY TIME BUT NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE TIME OF COMMENCEMENT OF THE MEETING. A FORMAT OF PROXY FORM IS ENCLOSED. PROXIES SUBMITTED ON BEHALF OF COMPANIES, TRUSTS ETC. TO ATTEND AND VOTE AT THE AGM ON THEIR BEHALF MUST BE SUPPORTED BY CERTIFIED COPY OF THE BOARD RESOLUTION / AUTHORITY LETTER, AS APPLICABLE.

3. A person can act as a proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint single person as a proxy and such person shall not act as a proxy for any other person.

4. Details required under the provisions of Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2") and regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including brief profile of Directors seeking appointment/re-appointment, are annexed hereto.

5. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

6. Members, proxies and authorised representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.

7. Register of Members and Share Transfer Books of the Company will be closed from **09.08.2019** to **14.08.2019** (both days inclusive) for the purpose of payment of dividend for the financial year ended March 31, 2019 and Annual General Meeting.

8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, change of e-mail address, contact numbers etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agents, M/s. Karvy Fintech Private Limited (Erstwhile: Karvy Computershare Pvt. Ltd.) to provide efficient services. Members holding shares in physical form are requested to intimate such changes to Karvy Fintech Pvt. Ltd., (Unit – Motherson Sumi Systems Ltd.), Karvy Selenium Tower B, Plot number 31 & 32, Gachibowli, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, India quoting correct Folio Number.

9. Members wishing to claim dividends that remain unclaimed are requested to correspond with the Registrar and Share Transfer Agents as mentioned above, or to the Company Secretary at the Company's corporate office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's unpaid dividend account, as per Section 124 of the Companies Act, 2013, will be transferred to the Investor Education and Protection Fund ("IEPF"). Also, shares on which dividend remains unclaimed for 7 (seven) consecutive years will be transferred to the IEPF as per Section 124 of the Companies Act, 2013 and the applicable rules.

10. In compliance with the requirements of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, the Company has during the year 2017-18, transferred to the IEPF Authority the dividend for the year 2010-11 (which was unpaid or unclaimed for seven consecutive years) and the underlying shares therein. Details of the unclaimed or unpaid dividend and shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: https://www.motherson.com/iepf-unpaid-dividend.html

11. Shareholders may note that the unpaid or unclaimed dividend and shares transferred to the IEPF Authority can be claimed by following the process available on the IEPF website and the same can be accessed through the link: http://www.iepf.gov.in/IEPF/refund.html

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to Karvy Fintech Private Limited/Company.

13. Electronic copy of the Annual Report of 32nd Annual General Meeting of the Company, *inter-alia*, indicating process and manner of electronic voting ('e-voting') along with Attendance Slip, Proxy Form and Route Map are being sent to all the members whose email address are registered with the Depository Participants(s)/Company for communication purposes unless any member has requested for a hard copy of the Annual Report. For members who have not registered their email address, physical copies of the Notice of 32nd Annual General Meeting of the Company, *inter-alia*, indicating the process and manner of e-voting along with Attendance Slip, Proxy Form and Route Map is being sent in the permitted mode.

14. Members may note that Notice of 32nd Annual General Meeting of the Company, Annual Report, Attendance Slip, Proxy Form and e-voting instructions are also available on the Company's website, i.e., www.motherson.com.

15. All the material documents, Resolutions, Memorandum and Articles of Association of the Company etc. are open for inspection to the members during the office hours of all working days till the conclusion of the Annual General Meeting at the registered office of the Company and/or in the manner as mentioned in the explanatory statement.

16. **Members who have not registered their e-mail address so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices etc. electronically.**

17. SEBI has recently amended relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to disallow listed companies from accepting request for transfer of securities which are held in physical form, with effect from April 1, 2019. The shareholders who continue to hold shares of the Company in physical form even after April 1, 2019, will not be able to lodge request for transfer of shares with the Company /RTA and they will need to convert the shares to demat form compulsorily in order to effect any transfer. Shareholders may also note that only the requests for transmission and transposition of securities in physical form, will be accepted by the Company/RTA.

18. **Webcast Facility**

(a) Securities and Exchange Board of India vide its notification no. SEBI/LADNRO/GN/2018/10 dated May 09, 2018 has inserted the following sub regulation (6) to regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, "The top 100 listed entities shall provide one-way live webcast of the proceedings of the annual general meetings."

(b) In compliance with above mentioned provision, the Company will be providing one-way live webcast of the proceedings of the AGM on the Karvy Fintech Private Limited website. You may access the same at http://evoting.karvy.com by using your remote e-voting credentials. The link will be available in shareholder login where the EVENT of Company will be displayed.

19. Voting by Electronic Means

1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 issued by the Institute of Companies Secretaries of India, the Company has provided to the members with a facility to exercise their voting right at the 32nd Annual General Meeting (AGM) by electronic means and the business may be transacted through such voting. The facility of casting the votes by the members using an electronic voting system from a place other than venue of AGM ("remote e-voting") will be provided by Karvy Fintech Private Limited. The facility of voting through ballot paper/ insta poll will also be available at AGM and members attending AGM who have already cast their vote by remote e-voting period may attend AGM but shall not be entitled to again cast their vote.

2. The instructions of e-voting are as under:

a) To use the following URL for e-voting: http://evoting.karvy.com

b) Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. closing hours of August 07,2019 may cast their vote electronically.

c) Enter the login credentials [i.e. user ID and password mentioned in the Notice of the AGM]. Your user ID will be your Folio No. / DP ID, Client ID.

d) After entering details correctly, click on 'LOGIN'.

e) You will reach the 'password change menu' wherein you are required to mandatorily change your password. The new password should comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile number, email address etc. on first login. You may also enter secret question and answer of your choice to retrieve your password in case you forget. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

f) You will need to login again with the new credentials.

g) On successful login, system will prompt you to select the EVENT No. for Motherson Sumi Systems Limited.

h) On the voting page, enter the number of shares as on the cut-off date under FOR/AGAINST. Alternatively, you may enter partially any number in FOR and partially in AGAINST but the total number in FOR and AGAINST taken together should not exceed the total shareholding. You may also choose the option to ABSTAIN.

i) Members holding multiple Folios / demat accounts shall complete the voting process separately for each Folio / demat account.

j) Cast your vote by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm else click 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the resolution.

k) Once the vote on the resolution is cast by the member, he/she shall not be allowed to change it subsequently.

l) The Portal will remain open for voting from **09:00 A.M**. on **August 11, 2019** to **5:00 P.M.** on **August 13, 2019**. Thereafter, e-voting module shall be disable for voting by members.

m) In case of any queries, you may refer the Frequently Asked Questions (FAQ's) for members and e-voting User Manual for members available at the download session of http://evoting.karvy.com or contact Karvy Fintech Private Limited at Tel No. 1800 345 4001 (toll free)

3. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of closing hours of **August 07, 2019**.

4. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the closing hours of August 07, 2019 shall be entitled to avail the facility of remote e-voting / Insta Poll. Further, any member, who has voted by remote e-voting, cannot vote at the meeting.

5. Any person who becomes member of the Company after dispatch of the Notice of the meeting and is holding shares as on the cut-off date i.e. August 07, 2019 may obtain the User Id and password by sending a request at http://evoting.karvy.com. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

6. Mr. D.P. Gupta, Practising Company Secretary (FCS No. 2411, CP No. 1509) has been appointed as the Scrutinizer to scrutinize the e-voting process and polling process in a fair and transparent manner.

7. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count votes cast at meeting and thereafter unblock votes cast through remote e-voting in presence of at least two witnesses not in employment of the Company and shall make, not later than 3 (three) days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.
8. The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.motherson.com and on the website of Karvy Fintech Pvt. Ltd. and communicated to the respective Stock Exchanges, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4:

Mr. Sushil Chandra Tripathi, IAS (Retd.) was appointed as an Independent Non-executive Director of the Company by the members at the 27th Annual General Meeting of the Company held on 25th day of August, 2014 for a period of 5 (five) consecutive years for a term up to the 32nd Annual General Meeting of the Company to be held in the year 2019.

As per sub-section (10) of Section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto 5 (five) consecutive years on the Board of the Company. An explanation to sub-section (11) of section 149 of the Companies Act, 2013 provides that for the purposes of sub-section (10) and (11), any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under said sub-sections. Further, regulation 25(2) of SEBI Regulations provides that the maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard from time to time.

Accordingly, Mr. Sushil Chandra Tripathi, IAS (Retd.), being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of 5 (five) consecutive years. The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub- section (6) of section 149 of the Companies Act, 2013 and regulation 16 (1) (b) of the SEBI Regulations. Mr. Tripathi has also given his consent to continue to act as a Director of the Company, if so appointed by the members. Mr. Sushil Chandra Tripathi, IAS (Retd.) is not related to any Director of the Company. Mr. Tripathi shall be paid remuneration by way of commission within the limits as approved by the shareholders under Section 197 of the Act and decided by the Board of Directors from time to time.

Further, pursuant to sub-regulation (1A) of Regulation 17 of the SEBI Regulations, inserted by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members by way of a Special Resolution is necessary for appointment / continuation of appointment of any Non-executive Director who has attained the age of 75 (Seventy Five) years. Mr. Sushil Chandra Tripathi, IAS (Retd.) will attain the age of 75 (seventy five) years on 01.01.2021 and accordingly the specific approval of the members is also being sought as mentioned in the enabling resolution.

Mr. Tripathi has experience over 20 years at senior levels in the Government functions, including as Principal Secretary (Finance and Industry, Govt. of UP); Joint Secretary (Economic Affairs); Additional Secretary (Mines); Secretary for Education and Petroleum & Natural Gas. Mr. Tripathi has held representative positions internationally in Energy, Education, Industry, Public Finance, Investment Promotion & Banking. He was the Chief Executive of Bharat Aluminium Co., National Aluminium Co. and UP Industrial and Investment Co. Mr. Tripathi is a Member of Energy Institute, UK; Institute of Electronics and Telecom Engg, India; Computer Society of India; AIMA; IIPA and Supreme Court Bar Association. The Board considers that continued association of Mr. Sushil Chandra Tripathi would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sushil Chandra Tripathi. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Sushil Chandra Tripathi as an Independent Director for another term of 5 (five) consecutive years,for the period as mentioned in the enabling resolution.

The members may also note that prior of being appointed as an Independent Director at 27th Annual General Meeting of the Company, Mr. Sushil Chandra Tripathi, IAS (Retd.) was inducted as an Independent Director by the Board of Directors in their meeting held on September 10, 2012 and said appointment was also approved by the members at the 26th Annual General Meeting of the Company held on August 31, 2013.

Except Mr. Sushil Chandra Tripathi, IAS (Retd.), being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the accompanying Notice of the Annual General Meeting.

Item No. 5:

Mr. Arjun Puri was appointed as an Independent Non-executive Director of the Company by the members at the 27th Annual General Meeting of the Company held on 25th day of August, 2014 for a period of 5 (five) consecutive years for a term up to the 32nd Annual General Meeting of the Company to be held in the year 2019.

As per sub-section (10) of section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to 5 (five) consecutive years on the Board of the Company. An explanation to sub-section (11) of section 149 of the Companies Act, 2013 provides that for the purposes of sub-section (10) and (11), any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under said sub-sections. Further, regulation 25(2) of SEBI Regulations provides that the maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard from time to time.

Accordingly, Mr. Puri, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of 5 (five) consecutive years. The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub- section (6) of section 149 of the Companies Act, 2013 and regulation 16 (1) (b) of the SEBI Regulations. Mr. Arjun Puri has also given his consent to continue to act as a Director of the Company, if so appointed by the members. Mr. Arjun Puri is not related to any Director of the Company. Mr. Puri shall be paid remuneration by way of commission within limits approved by the shareholders, under section 197 of the Act and decided by the Board of Directors from time to time.

Mr. Arjun Puri holds Economics (Honours) degree from Shri Ram College of Commerce, University of Delhi. Mr. Puri is the member of the Audit Committee and Corporate Social Responsibility Committee of the Company. Financial advice and risk assessment of socioeconomic factors analysis by Mr. Arjun Puri has been of immense use and has benefitted the Company during various overseas aqcuisitions. For the past 38 years, Mr. Puri has been associated with Auroville, Pondicherry and has vast experience of inspiring and implementing many initiatives for sustainable life styles. He has been member of Central Coordination Committee, responsible for day to day affairs of Auroville. The Board considers that continued association of Mr. Arjun Puri would be of immense benefit to the Company especially considering that the Company has grown substantially, organically and inorganically in past two decades. Accordingly, it is desirable to continue to avail services of Mr. Arjun Puri. The Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Arjun Puri as an Independent Director for another term of 5 (five) consecutive years, for the period as mentioned in the enabling resolution.

The members may also note that prior of being appointed as an Independent Director at 27th Annual General Meeting of the Company, Mr. Puri was inducted as an Independent Director by the Board of Directors in their meeting held on January 11, 2006 and the said appointment was approved by the members at the 19th Annual General Meeting of the Company held on August 07, 2006. Since then, Mr. Arjun Puri has been re-appointed by the Board and shareholders of the Company from time to time.

Except Mr. Arjun Puri, being an appointee, none of the Director and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the accompanying Notice of the Annual General Meeting.

Item No. 6:

Mr. Gautam Mukherjee was appointed as an Independent Non-executive Director of the Company by the members at the 27th Annual General Meeting of the Company held on 25th day of August, 2014 for a period of 5 (five) consecutive years for a term up to the 32nd Annual General Meeting of the Company to be held in the year 2019.

As per sub- section (10) of section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to 5 (five) consecutive years on the Board of the Company. An explanation to sub-section (11) of section 149 of the Companies Act, 2013 provides that for the purposes of sub-section (10) and (11), any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under said sub-sections. Further, regulation 25(2) of SEBI Regulations provides that the maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard from time to time.

Accordingly, Mr. Gautam Mukherjee, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of 5 (five) consecutive years. The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub- section (6) of section 149 of the Companies Act, 2013 and regulation 16 (1) (b) of the SEBI Regulations. Mr. Mukherjee has also given his consent to continue to act as a Director of the Company, if so appointed by the members. Mr. Gautam Mukherjee is not related to any Director of the Company. Mr. Mukherjee shall be paid remuneration by way of commission within the limits approved by the shareholders, under Section 197 of the Act and decided by the Board of Directors from time to time.

Mr. Gautam Mukherjee holds a degree in Bachelor of Arts. He joined State Bank of India (SBI) as Probationary Officer in 1983 and worked in the field of financial due diligence and appraisal of a number of large projects till 1990. Thereafter, Mr. Mukherjee worked with The Economic Times, as Financial Editor from 1990-96 during which he wrote extensively on Indian Economy, financial sector reforms, steel, labour and corporate sector. Mr. Mukherjee has also served ICICI Bank as Vice President and its North India Head for Corporate Banking from 1996-2002 and afterwards ING Vysya Bank. The Board considers that continued association of Mr. Gautam Mukherjee would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Gautam Mukherjee. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Gautam Mukherjee as an Independent Director for another term of 5 (five) consecutive years for the period as mentioned in the enabling resolution.

The members may also note that prior of being appointed as an Independent Director of the Company at 27th Annual General Meeting, Mr. Mukherjee was inducted as an Independent Director by the Board of Directors in their meeting held on September 10, 2012 and said appointment was approved by the members at the 26th Annual General Meeting of the Company held on August 31, 2013.

Except Mr. Gautam Mukherjee, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice of the Annual General Meeting.

Item No. 7:

Ms. Geeta Mathur was appointed as an Independent Non-executive Director of the Company by the members at the 27th Annual General Meeting of the Company held on 25th day of August, 2014 for a period of 5 (five) consecutive years for a term up to the 32nd Annual General Meeting of the Company to be held in the year 2019.

As per sub- section (10) of section 149 of the Companies Act, 2013, an Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of the Company. An explanation to sub-section (11) of section 149 of the Companies Act, 2013 provides that for the purposes of sub-section (10) and (11), any tenure of an independent director on the date of commencement of this Act shall not be counted as a term under said sub-sections. Further, Regulation 25(2) of SEBI Regulations provides that the maximum tenure of independent directors shall be in accordance with the Companies Act, 2013 and rules made thereunder, in this regard from time to time.

Accordingly, Ms. Geeta Mathur, being eligible for re-appointment as an Independent Director and offering herself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of 5 (five) consecutive years. The Company has received declaration from her stating that she meets the criteria of Independence as prescribed under sub- section (6) of section 149 of the Companies Act, 2013 and regulation 16 (1) (b) of the SEBI Regulations. Ms. Geeta Mathur has also given her consent to continue to act as a Director of the Company, if so appointed by the members. Ms. Geeta Mathur is not related to any Director of the Company. Ms. Geeta Mathur shall be paid remuneration by way of commission within the limits approved by the shareholders, under section 197 of the Act and decided by the Board of Directors from time to time.

Ms. Geeta Mathur holds a Bachelor Degree of Commerce with Honours from Sri Ram College of Commerce, University of Delhi and is also a qualified Chartered Accountant with more than 20 years of experience in the field of finance, treasury, strategic planning, investor relations. Ms. Geeta Mathur started her career with ICICI, where she worked for over ten (10) years in the field of project, corporate and structured finance as well as represented ICICI on the Board of reputed companies such as Eicher Motors, Siel Limited etc. Ms. Geeta Mathur possess strong understanding of processes and systems with ability to identify key success/risk factors across several industries. Besides finance, Ms. Geeta Mathur is equipped with strong understanding and experience in operations and commercial contracts. The Board considers that continued association of Ms. Geeta Mathur would be of immense benefit to the Company and it is desirable to continue to avail services of Ms. Geeta Mathur. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Ms. Geeta Mathur as an Independent Director for another term of 5 (five) consecutive years for the period as mentioned in the enabling resolution.

The members may also note that before being appointed as an Independent Director of the Company at 27th Annual General Meeting of the Company, Ms. Geeta Mathur was inducted as an Independent Director by the Board of Directors in their meeting held on 31st day of January 2014.

Except Ms. Geeta Mathur, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the accompanying Notice of the Annual General Meeting.

Item No. 8:

The Board of Directors of the Company based on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. M.R. Vyas and Associates, Practicing Cost & Management Accountants, to conduct audit of cost records of the Company across various segments for the financial year 2019-20.

In terms of the provisions of section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are in any way concerned or interested, financially or otherwise in the resolution set out in Item No. 8.

The Board recommends an Ordinary Resolution set forth in Item No. 8 for approval of Members.

Item No. 9:

M/s. Sumitomo Wiring Systems Limited, Japan (SWS), a Joint Venture Partner of your Company had nominated Mr. Takeshi Fujimi on the Board of your Company. Subsequently, Mr. Takeshi Fujimi (DIN: 08591292) was appointed as an Additional Director (Non-Executive) of the Company by the Directors of the Company w.e.f. July 11, 219 pursuant to section 161 of the Companies Act, 2013 and the rules made thereunder (herein after referred to as "the Act") considering the recommendations of the Nomination and Remuneration Committee.

Pursuant to the provisions of section 161 of the Act, Mr. Takeshi Fujimi shall hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing under the provisions of section 160 of the Act from member proposing his candidature for the office of Director of the Company.

Mr. Takeshi Fujimi is a graduate in Bachelor of Engineering from Aichi Institute of Technology, Japan. Mr. Fujimi has been associated with Sumitomo Group, Japan since April 1984. Mr. Fujimi during his association with Sumitomo Group has been associated with various entities in managerial and technical position and has also been engaged in quality assurance of wiring harnesses for Suzuki, Toyota, Mazda and Mitsubishi.

The Board considers that Mr. Takeshi Fujimi's appointment as a Director of the Company would be of immense benefit to the Company, *inter-alia*, towards technical expertise and quality assurance. Accordingly, your Directors recommend his appointment as a Director of the Company who shall be liable to retire by rotation.

Except Mr. Takeshi Fujimi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the accompanying Notice of the Annual General Meeting.

By order of Board

Alok Goel
Company Secretary
Membership No. – FCS 4383

Place: Noida
Date: July 11, 2019

Regd Office:
Unit 705, C Wing, ONE BKC,
G Block, Bandra Kurla Complex,
Bandra East, Mumbai – 400051

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

(Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 on General Meeting)

Name of Director	**Mr. Pankaj Mital**	**Mr. Sushil Chandra Tripathi, IAS (Retd.)**	**Mr. Arjun Puri**	**Mr. Gautam Mukherjee**	**Ms. Geeta Mathur**	**Mr. Takeshi Fujimi**
Director Identification No.	00194931	00941922	00211590	02590120	02139552	08501292
Date of Birth	15.09.1966	01.01.1946	01.08.1956	25.03.1957	21.11.1966	06.06.1961
Date of Appointment	02.09.2011	10.09.2012	11.01.2006	10.09.2012	31.01.2014	11.07.2019
Qualification	B.Sc., LL.B, PGDBM	M.Sc., LL.B, IAS (Retd.)	Graduate in Economics (Hons.)	Bachelor of Art	B.Com (H), Chartered Accountant	Bachelor of Engineering
Experience in specific Functional area	He has vast experience in the field of Electronic Distribution System (EDS) in Automobile Industry	A retired IAS Officer and having vast experience in the field of Economy, Management, Finance and Taxation areas	Having experience in the field of planning and other related management areas.	A Banker having vast experience in the field of Finance, Planning, Project Management areas.	A Chartered Accountant having experience in the field of Finance, Treasury, Strategic Planning etc.	Engaged in quality assuranceof wiring harnesses, for Suzuki, Toyota, Mazda and Mitsubishi.
Remuneration last drawn from Company (in ₹)	258,29,339	42,00,000 @	42,30,000 @	43,20,000 @	42,70,000 @	N.A.
Remuneration sought to be paid	As approved by the shareholders in their meeting held on August 21, 2017.	Commission will be paid within the limits approved by shareholders in their meeting held on August 31, 2016.	Commission will be paid within the limits approved by shareholders in their meeting held on August 31, 2016.	Commission will be paid within the limits approved by shareholders in their meeting held on August 31, 2016.	Commission will be paid within the limits approved by shareholders in their meeting held on August 31, 2016.	Nil
Terms and Conditions of appointment	As approved by the shareholders in their meeting held on August 21, 2017.	As mentioned in the explanatory statement.	As mentioned in the explanatory statement.	As mentioned in the explanatory statement.	As mentioned in the explanatory statement.	Non-Executive Director and liable to retire by rotation pursuant to the provisions of Companies Act, 213
Number of Board Meetings attended during the year*	7	7	7	7	6	N.A.
Relationship with any Director(s) of the Company	None	None	None	None	None	None
Membership/ Chairmanship of the Committee of the Company	- Risk Management Committee; - Committee of Directors (Administrative Matters) - Committee of Directors (Strategic Business Matters) - Share Transfer Committee	- Audit Committee; - Committee of Directors- (Strategic Business Matters)	- Audit Committee; - Corporate Social Responsibility Committee;	- Audit Committee; - Nomination and Remuneration Committee; - Stakeholders Relationship Committee;	- Audit Committee; - Nomination and Remuneration Committee; - Risk Management Committee; - Committee of Directors (Strategic Business Matters)	Nil
Directorship held in other Indian companies	- MSSL Automobile Component Limited - SMR Automotive Systems India Limited.	- Reliance Nippon Life Asset Management Ltd. - Kailash Healthcare Limited - Ginni Filaments Limited - Kailash Hospitals Limited - Samvardhana Motherson Polymers Limited - Religare Enterprises Limited - ReligareFinvest Limited.	- MothersonSumi INfotech & Designs Ltd. - Varuna Energy & Water Pvt. Ltd. - Motherson Techno Tools Limited - Systematic Conscom Limited	- SMR Automotive Systems India Limited	- NIIT Limited - IIFL Finance Limited - IIFL Securities Limited - IIFL Wealth Management Limited - Tata Communication Transformation Services Limited - India Infoline Finance Limited - JTEKT India Limited - Sentiss Pharma Private Limited - J.K. Helene Curtis Limited - Ummeed Housing Finance Private Limited	Nil

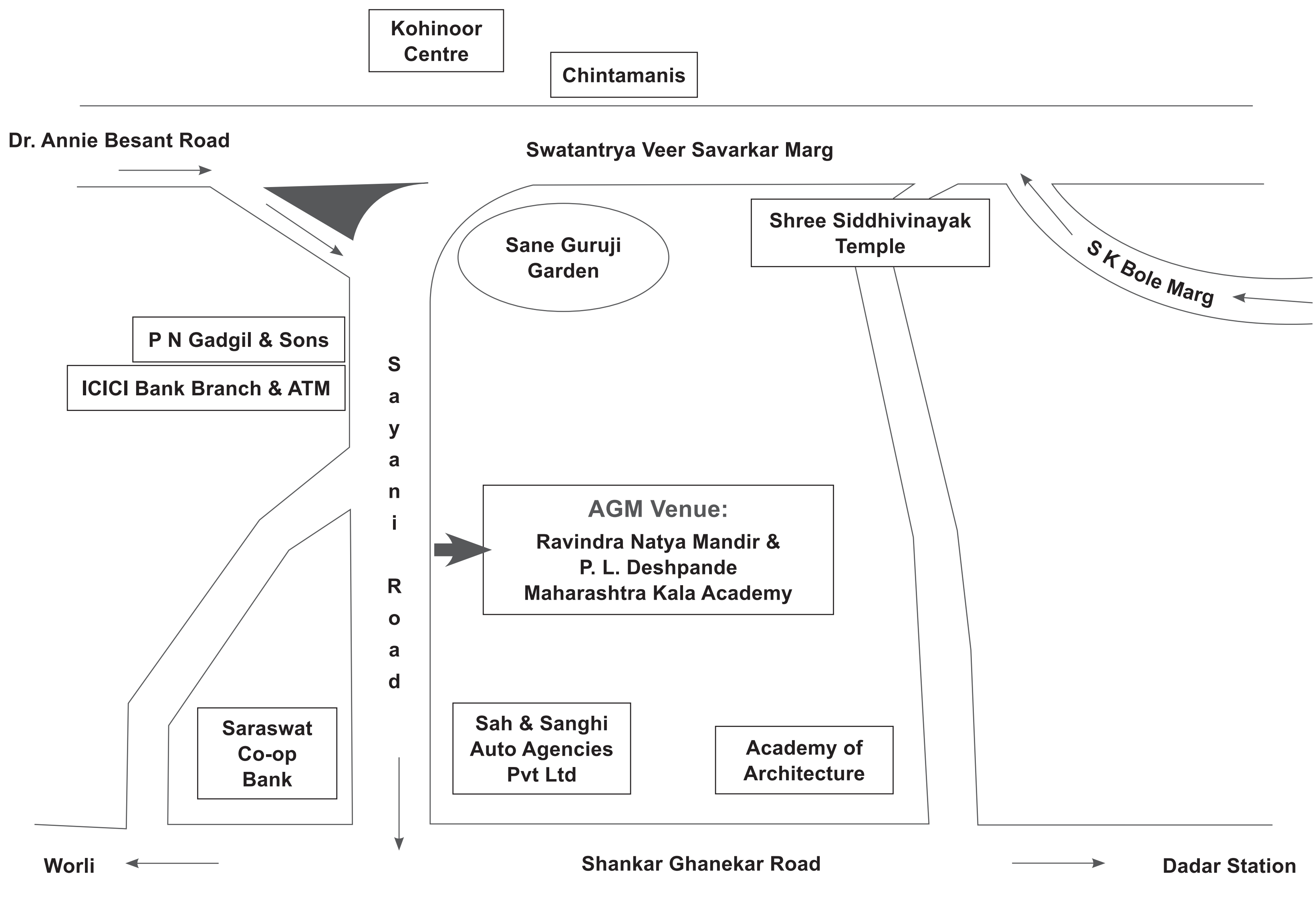
Name of Director	Mr. Pankaj Mital	Mr. Sushil Chandra Tripathi, IAS (Retd.)	Mr. Arjun Puri	Mr. Gautam Mukherjee	Ms. Geeta Mathur	Mr. Takeshi Fujimi
Membership/ Chairmanship of the Committee of other Indian Companies	**Nomination and Remuneration Committee:** - SMR Automotive Systems India Limited. **Corporate Social Responsibility Committee:** - SMR Automotive Systems India Limited.	**Audit Committee:** - Reliance Nippon Life Asset Management Ltd. - Kailash Healthcare Limited - Kailash Hospitals Ltd. (Chairman) - Religare Finvest Limited - Religare Enterprises Limited. **Stakeholders Relationship Committee:** - Ginni Filaments Limited (Chairman) - Religare Enterprises Limited **Nomination and Remuneration Committee:** - Kailash Healthcare Limited (Chairman) - Kailash Hospitals Ltd. (Chairman) - Ginni Filaments Limited - Religare Enterprises Limited - Reliance Nippon Life Asset Management Ltd. - Religare Finvest Limited **Corporate Social Responsibility Committee:** - Kailash Healthcare Limited (Chairman) - Religare Enterprises Limited - Religare Finvest Limited **Risk Management Committee:** - Religare Finvest Limited **Share Allotment Committee:** - Religare Finvest Limited **Asset Liability Committee:** - Religare Enterprises Limited **Investment, Borrowing & Share Allotment Committee:** - Religare Enterprises Limited **RPT Sub- Committee:** - Religare Enterprises Limited **Management Committee for Recoveries:** - Kailash Healthcare Limited (Chairman) **Loan /Investment and Borrowing Committee:** - Religare Finvest Limited **Review Committee for the identification of non-cooperative borrowers:** - Religare Finvest Limited	**Audit Committee:** - MothersonSumi Infotech & Designs Limited (Chairman) - Systematic Conscom Limited - Motherson Techno Tools Limited. **Nomination and Remuneration Committee:** - MothersonSumi Infotech & Designs Limited (Chairman) - Motherson Techno Tools Limited - Systematic Conscom Limited. **Corporate Social Responsibility Committee:** - MothersonSumi Infotech & Designs Limited (Chairman) - Motherson Techno Tools Limited	**Audit Committee:** - SMR Automotive Systems India Limited. **Nomination and Remuneration Committee:** - SMR Automotive Systems India Limited. **Corporate Social Responsibility Committee:** - SMR Automotive Systems India Limited.	**Audit Committee:** - NIIT Limited (Chairperson) - IIFL Wealth Management Limited (Chairperson) - J.K. Helene Curtis Limited (Chairperson) - Tata Communication Transformation Services Ltd. - India Infoline Finance Limited - IIFL Finance Limited - JTEKT India Ltd. **Stakeholders Relationship Committee:** - IIFL Wealth Management Limited **Nomination and Remuneration Committee:** - IIFL Wealth Management Limited (Chairperson) - Tata Communication Transformation Services Ltd. (Chairperson) - India Infoline Finance Limited - NIIT Limited **Corporate Social Responsibility Committee:** - NIIT Limited - JTEKT India Ltd. - IIFL Finance Limited - Tata Communication Transformation Services Ltd. **Risk Management Committee:** - India Infoline Finance Limited - IIFL Wealth Management Limited - JTEKT India Ltd. **Credit Committee:** - India Infoline Finance Limited	Nil
Number of shares held in the Company (as on March 31, 2019) #	99273	Nil	3750	Nil	10125	N.A.

*Total no. of Board Meetings held during financial year 2018-19 were 7 (seven).

Includes Bonus Shares allotted by the Company on 01.11.2018 in the ratio of 1:2 (one bonus equity share for every two equity shares held).

@ Includes sitting fee and commission paid during the financial year 2018-19.

Route Map for the venue of the Annual General Meeting.



motherson sumi systems limited

MOTHERSON SUMI SYSTEMS LIMITED

(CIN- L34300MH1986PLC284510)
Regd. Office: Unit – 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051, Maharashtra
Phone: +91 022-40555940; **Fax:** +91 022-40555940
Corporate Office: Plot No. 1, Sector 127, Noida-201301 (Uttar Pradesh)
Phone: +91 120 6679500; **Fax:** +91 120 2521866;
Email: investorrelations@motherson.com; **Website:** www.motherson.com; **Investor Relations Phone Number:** +91 120 6679500

ATTENDANCE SLIP

32nd Annual General Meeting, Wednesday, 14th Day of August, 2019 at 11:30 A.M.

Folio No. / DP- Client ID ______________________ No. of shares ____________

Name ______________________

Address ______________________

I/ We hereby record my/ our presence at the 32nd Annual General Meeting of the Company being held at 11:30 A.M. on Wednesday, August 14, 2019 at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, (near Sayani Road), Prabhadevi, Mumbai – 400025

____

Signature of shareholder/ proxy

motherson sumi systems limited

MOTHERSON SUMI SYSTEMS LIMITED

(CIN- L34300MH1986PLC284510)
Regd. Office: Unit – 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051, Maharashtra
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Corporate Office: Plot No.1, Sector 127, Noida-201301 (Uttar Pradesh)
Phone: +911 120 6679500; **Fax:** +91 120 2521866;
Email: investorrelations@motherson.com; **Website:** www.motherson.com; **Investor Relations Phone Number:** +91 120 6679500

PROXY FORM (MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s)	
Registered address	
E-mail address	
Folio No./ DP ID/ Client ID	

I/We being the member(s) of ____________ shares of Motherson Sumi Systems Limited, hereby appoint

1. Name .... Email Id ....
   Address ....
   Signature .... or failing him/ her
2. Name .... Email Id ....
   Address ....
   Signature .... or failing him/ her
3. Name .... Email Id ....
   Address ....
   Signature ....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on Wednesday, 14th Day of August, 2019 at 11:30 A.M. at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, (near Sayani Road), Prabhadevi, Mumbai – 400025 and at any adjournment thereof in respect of such resolutions as are indicated below:

* I wish my above proxy to vote in the manner as indicated in the box below:

S. No.	**Resolution**	**Options**	
Ordinary Business:		**For**	**Against**
1.	To consider and adopt financial statements of the Company for the financial year ended March 31, 2019.		
2.	To declare dividend on equity shares for the financial year ended March 31, 2019.		
3.	To appoint a Director in place of Mr. Pankaj Mital, who retires by rotation and being eligible offers himself for re-appointment.		
Special Business:			
4.	To re-appoint Mr. Sushil Chandra Tripathi, IAS (Retd) as an Independent Director.		
5.	To re-appoint Mr. Arjun Puri as an Independent Director.		
6.	To re-appoint Mr. Gautam Mukherjee as an Independent Director.		
7.	To re-appoint Ms. Geeta Mathur as an Independent Director.		
8.	To ratify the remuneration of M/s. M.R. Vyas and Associates as the Cost Auditors for Financial year 2019-20.		
9.	To appoint Mr. Takeshi Fujimi as Director of the Company, liable to retire by rotation.		

Signed this .... Day of .... 2019.

Affix Revenue Stamp

Signature of shareholder

Signature of Proxy holder(s)

Notes:

1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2) A proxy need not be a Member of the Company.

3) A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

*4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

MOTHERSON SUMI SYSTEMS LIMITED

(CIN- L34300MH1986PLC284510)
Regd. Office: Unit – 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai-400051, Maharashtra
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Email: investorrelations@motherson.com; Website: www.motherson.com
Investor Relations Phone Number:+91 120 6679500

Sl. No.

Name

Address :

Folio No. / DP ID & Client ID

No. of Shares held

Name of Joint Holder(s), if any

Dear Member,

Sub: Voting through electronic means and Webcasting of AGM

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide remote e-voting facility to the members to cast their vote electronically on all resolutions set forth in the Notice convening the 32nd Annual General Meeting **(AGM)** of the Company scheduled to be held on Wednesday, August 14, 2019 at 11:30 A.M. at Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy (near Sayani Road), Prabhadevi, Mumbai – 400025.

The Company has engaged the services of M/s Karvy Fintech Private Limited (erstwhile Karvy Computershare Private Limited) ("Karvy") as the Authorised Agency to provide E-voting. The remote E-voting credentials are set out below:

EVEN (E-voting Event Number)	User ID	Password / PIN

The remote E-voting facility will be available during the following voting period:

Commencement of E-voting	From 9:00 A.M. (IST) on August 11, 2019
End of E-voting	Up to 5:00 P.M. (IST) on August 13, 2019

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of aforesaid period.

The Company considered the cut-off date (i.e. the Record Date) of Wednesday, August 7, 2019 for the purpose of E-voting and Annual General Meeting.

Please read the instructions as mentioned overleaf before exercising the vote electronically. This Communication forms an integral part of the 32nd Annual General Meeting Notice dated July 11, 2019 scheduled to be held on August 14, 2019.

Webcasting:

Your Company has provided the facility of live webcast of proceedings of AGM. Members who are entitled to participate in the AGM can view the proceeding of AGM by logging on the e-voting website of Karvy at https://evoting.karvy.com/ using their secure login credentials mentioned above for e-voting.

The Notice of the 32nd Annual General Meeting and this Communication are also available on the website of the Company at www.motherson.com.

For Motherson Sumi Systems Limited

Alok Goel
Company Secretary
Membership No. – FCS 4383

Instructions and other information relating to E-voting are as under:

1. A. In case a Member receives an email from Karvy (for Members whose email Ids are registered with the Company/Depository Participant(s):

   i) Launch internet browser by typing the URL: https://evoting.karvy.com in the address bar and click on "Enter". The Home screen will be displayed then click on shareholders icon in the homepage.

   ii) Enter the login credentials (i.e. User ID and password mentioned over leaf).Your Folio No. DP ID – Client ID will be your User ID. However, if you are already registered with Karvy for E-voting, you can use your existing User ID and password for casting your vote.

   iii) After entering these details appropriately, click on "LOGIN".

   iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@#s. etc). The system will prompt you to change your password and update your contact details like mobile number, email ID. etc. on first login. You may also enter a secret question and answer of your choice to retrieve password and that you take utmost care to keep your password confidential.

   v) You need to login again with the new credentials.

   vi) On successful login, the system will prompt you to select the E-Voting Event Number for Motherson Sumi Systems Limited.

   vii) On the voting page enter the number of shares (which represents the number of votes) as on the cut-off Date under each of the heading of the resolution and cast your vote by choosing the "FOR/ AGAINST "option or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head Option "FOR" implies assent to the resolution and "AGAINST" implies dissent to the resolution.

   viii) Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/ demat accounts.

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

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

   xi) A confirmation box will be displayed Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have voted on the Resolution(s).

   xii) Corporate/ Institutional Members (i.e other than Individuals, HUF,NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at e-mail ID sgsdel@gmail.com with a copy marked to investorrelations@motherson.com. They may also upload the same in the E-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO".

   B. In case a Member receives physical copy of the Annual General Meeting Notice by post (for members whose email IDs are not registered with the Company/Depository Participant(s).

   i.) User ID and initial password are provided overleaf.

   ii.) Please follow all steps from Sr. No.(i) to (xii) as mentioned in (A) above, to cast your vote.

2. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote electronically shall not be allowed to vote again at the Meeting.
3. In case of any query pertaining to E-voting, please visit Help & FAQ's section available at Karvy's website https://evoting.karvy.com.
4. The facility for physical voting / through electronic means (Insta Poll) shall be made available at the Annual General Meeting (AGM) and the members attending AGM who have not cast their vote by remote E-voting shall be able to vote at the AGM through "Ballot"/"Insta Poll".
5. The members who have cast their vote by remote E-voting may also attend AGM , but shall not be entitled to cast their vote again.
6. The Board of Directors has appointed Mr. D.P. Gupta, Practicing Company Secretary, (FCS2411; C.P. No.1509) as a Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
7. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the cut-off date (i.e. the record date), being, August 07, 2019.
8. A person ,whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories at the close of business hours on August 07, 2019 shall be entitled to avail the facility of remote E-voting/Insta Poll.
9. Any person who becomes member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e August 07, 2019 may obtain the User Id and password by in the manner as mentioned below :

   a. If the mobile number of the member is registered against Folio No./ DPID Client ID, the member may send SMS: MYEPWD<space> E-Voting Event Number +Folio no. or DPID Client ID to +91-9212993399

      Example for NSDL : MYEPWD<SPACE>IN12345612345678

      Example for CDSL : MYEPWD<SPACE>1402345612345678

      Example for Physical: MYEPWD<SPACE>XXXXMSS1234567

   b. If e-mail address or mobile number of the member is registered against Folio No. / DPID Client ID, then on the home page of https://evoting.karvy.com, the member may click "Forgot Password" and enter Folio No. or DP ID-Client ID and PAN to generate a password.

   c. Member may call Karvy's Toll free number 1-800-3454-001

   d. Member may send an e-mail request to evoting.mssl@karvy.com

10. However, if you are already registered with Karvy for E-voting, you can use your existing User ID and password for casting your vote.
11. The Scrutinizer shall within a period not exceeding three working days from the conclusion of AGM shall unblock the votes cast by remote E-voting and Insta-Poll, in the presence of at least two witnesses not in the employment of the Company and will make a Consolidated Scrutinizer's Report of the votes cast in favour or against, forthwith to the Chairman of the meeting.
12. The Results on resolutions shall be declared at or after the Annual General Meeting of the Company and the resolutions will be deemed to be passed on the Annual General Meeting i.e. August 14, 2019, subject to receipt of the requisite number of votes in favour of the Resolutions.
13. The Results declared along with the Scrutinizer's Report(s) will be available on website of the Company (www.motherson.com) and on Karvy's website (https://evoting.karvy.com). The results shall simultaneously be communicated to Stock Exchanges.

motherson sumi systems limited

edition 32

Annual Report

2018-2019

Do not lower your goals to the level of your abilities. Instead, raise your abilities to the height of your goals.

Year **4/5** 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 realised, 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 materialise, 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.

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. Shunichiro Nishimura
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 and Chief Operating Officer

Chief Financial Officer

Mr. G.N. Gauba

Company Secretary / Investor Cell

Mr. Alok Goel
investorrelations@motherson.com

Registered Office

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

Registrar

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

Auditors

S.R. Batliboi & Co. LLP
Golf View Corporate Tower-B
Sector-42, Sector Road
Gurugram – 122002, Haryana, India

Bankers

- State Bank of India
- Axis Bank Ltd.
- Citibank N.A.
- DBS Bank India Ltd.
- HDFC Bank Ltd.
- ICICI Bank Ltd.
- Standard Chartered Bank
- MUFG Bank, Ltd.
- The Hongkong and Shanghai Banking Corporation Ltd.


yes

Table of contents.

Raise your abilities to the height of your goals.

Motherson Sumi System Ltd. has always strongly focused on creating more value for customers, investors and its employees through organic and inorganic growth. Over the years, MSSL has never lowered its targets in response to external challenges such as Y2K, the Lehman crisis, political turbulences or economic downturns. Instead, we have constantly focused on dealing with challenges by strengthening our capabilities and improving ourselves. That way, we try to reach our goals despite adversities over which we have no control.

Part of our Vision 2020 is to grow inorganically, as we have recently also done through the acquisitions of PKC and SMRC. Like challenges, opportunities come at unpredictable moments as well. Therefore, we continuously work on strengthening our capabilities to better capture opportunities when they present themselves.

Given our size and global reach, there is a consistent stream of acquisition opportunities. We have a clear criteria that defines what good acquisition opportunities look like and well defined processes for identifying, evaluating and negotiating the takeover of a new company. Apart from adding value for our customers, one major focal point in our screening is our ability to achieve inorganic growth combined with achieving our ROCE target. This means an acquisition opportunity that brings top-line growth must come at the right price and with a visibility of future improvements in both top-line as well as bottom-line.

This year, we celebrate the acquisition of Visiocorp that was made 10 years ago at the behest of customers, which today is known as SMR. This opportunity came in 2009, the last year of our 5-year plan. When Visiocorp was acquired, it was almost bankrupt. However, instead of raising their goals to the level of what they thought were their abilities, the entire team at SMR raised their abilities to the level of their goals. Together with the operational expertise and financial prudence of MSSL, the team turned the company around. It was a watershed moment for MSSL. It doubled our size, exposed MSSL to many new global OEMs at that time and gave the confidence that much more was possible. We are interviewing five key people who were with us in 2009, helped turn SMR around and are still with us today. You can read their story and of course read about the journey that we have been on this last year in terms of ambition and achievement, growth and the way ahead.






Dear Shareholders,

FY 2018-19 has been another strong year for MSSL. Consolidated sales of your company ended at INR 62,572 crores (USD 9.1 billion), up by 12% from last year. PAT grew to INR 1,613 crores and revenues outside India was up by 13%. The dividend payout for FY 2018-19 constitutes 35% of consolidated profits after tax. This amounts to dividends of INR 1.50 per share. The total order book stands at over Rs. 1.47 lac crores (Euro 18.2 billion) approx. at SMRP BV level.

Our results confirm that the organic growth is strong and in line with our 2020 targets. Many of you have asked us about inorganic growth. The revenue target we set for MSSL stands at USD 18 billion by March 31 2020. Of course, we have simultaneously set the ROCE target at 40%. Both together are the targets, which means we will not chase one at the expense of the other. For example, we could get carried away by our revenue target and make a large acquisition that will get us there, but perhaps at a price that will depress our overall ROCE for years to come. We are constantly reviewing multiple acquisition targets. In some cases, these are smaller companies; in other cases, they are large. In certain situations, we are not the only bidding party, and when valuations are too high for us to meet our ROCE targets, we refrain from taking the company over, even when such an acquisition would allow us to reach our 2020 revenue target. Instead, we are working hard to hit both targets simultaneously as we believe that these create the most value for all our stakeholders in the long run. Apart from the financial considerations, the support and trust of customers as well as the trust

"On the way to any goal, we are bound to meet challenges. Therefore, if we meet those challenges by lowering our goals, ***we are bound to deprive ourselves of finding new solutions, meet new opportunities, and scale new heights."***

and perspective of existing teams and employees plays a vital role in our decision to acquire.

One acquisition in which all of these elements came together well is the SMR acquisition, and this year we commemorate the ten years of SMR being in the Motherson family, since we acquired the company in 2009. The shockwaves of the Lehmann crisis could be strongly felt, and customers asked us to look at taking over Visiocorp, which was in trouble. The company was facing difficulty in meeting its obligations towards its key stakeholders. However, there were many people inside the company who continued to believe in the future. And this brings me to this year's theme: "Don't lower your goals to the level of your abilities. Instead, raise your abilities to the height of your goals."

This famous quote by Swami Vivekananda is very dear to me. It holds the key to personal growth. "On the way to any goal, we are bound to meet challenges. Therefore, if we meet those challenges by lowering our goals, we are bound to deprive ourselves of finding new solutions, meet new opportunities, and scale new heights."This is true not only in our personal lives but also in our professional lives and as a company.

The turnaround of Visiocorp is a remarkable example of this. The company was in a very bad situation, and people were disheartened. In fact, many expected to be fired and many others left. We saw a lot of courage and good spirit in the middle management, so we asked them to become the top management. Rather than be fired, they were promoted! Given their difficult circumstances, it would have been very easy for them to set low targets. Instead, they aimed high. When we made the new 5-year plan at the end of 2009, they were part of setting a ROCE target of 40% even though their own ROCE was nowhere near that. And yet, they hit that target during 2015-16.

The SMR acquisition also doubled our size, making Motherson truly international. This exposure brought SMP on our path. It connected us to global OEMs who provided us with more opportunities. SMR became the biggest test of our approach to making international acquisitions and sharpened our ability to turn companies around by bringing in our philosophy and management practices. That is why we look at the SMR story in more depth in the theme section by speaking to five people who were critical to the process and are still with us today. SMR allowed us to put MSSL on a new track.

In addition, we have also created a special article on SMRC in this annual report. You will learn more about its products, locations, history and outlook in that article. We are extremely grateful for having the opportunity to bring a remarkable French company into MSSL. Through SMRC, we have gained access to new interior solutions, closer contacts with the French OEMs as well as many synergies with our existing interior and exterior solutions. We see great opportunities for further improvements and creating more value for our customers and our investors.

As we enter into the final year of the current 5-year plan, we are encouraged by your trust and unwavering support. Our sincere gratitude goes to you – our investors and shareholders. Stories like those of SMR are possible only because of your faith in us. It has

enabled us to create value for our customers, our employees, the communities we operate in, and of course, to you as investors.

To our customers, thank you for your faith in us. Today we support you in 41 countries, and we are grateful for the opportunities to bring more cultures and more great people into our Group who are focused on supporting you all the way, day in, day out.

To our collaborators, thank you for ensuring that we bring the best, most efficient and effective solutions to our customers on time. Thank you for bringing your passion, technologies and the spirit of collaboration to our joint efforts. To our employees and teams, thank you for your dedication and willingness to raise our abilities to the level of our goals to help our customers better.

We would like to thank all local, state and national governments, concerned bodies, and the banks and financial institutions in all countries where we operate for their support and collaboration. On behalf of MSSL, thank you all.

Together we will approach our 2020 targets and start to look beyond!
Sincerely yours,

Vivek Chaand Sehgal
Chairman, Motherson Sumi Systems Limited

Samvardhana Motherson International Limited (SAMIL).

Samvardhana Motherson International Limited (SAMIL) binds and manages the Group's different ventures and acquisitions. It serves as the nerve centre for the Group and drives growth and value creation for its customers by building synergies within Motherson. It provides operational, strategic and management support to all Group companies. The value-creation philosophy serves as the intellectual capital of SAMIL, which helps build customer trust and expand the business. By sharing knowledge and best practices across units, SAMIL binds and manages the different ventures of the Group, creating value for all stakeholders.

SAMIL's capability lies in forging partnerships with global technological leaders. It helps build the Group's diverse product portfolio and fosters deep manufacturing and design capabilities across operating companies to support a wide spectrum of ever-evolving customer requirements. SAMIL leverages its incubator capacity to unlock the hidden potential of Motherson, allowing it to grow further.

SAMIL provides direction for vertical and horizontal integration as the foundation of growth within the Group. It helps enrich skills and learning from emerging technology domains to support its customers. The ability of SAMIL to source from within the Group is a vital aspect for cost cutting, reliability, quality maintenance, and timeliness. SAMIL drives the shared services of the Group such as IT systems that form the information backbone, procurement and back-office services to ensure that all back-end requirements are met efficiently and seamlessly.

SAMIL serves as the nerve centre for the Group and drives growth and ***value creation for its customers by building synergies within Motherson.***

Apart from supporting organic growth, SAMIL is the driving force behind initiatives to create more value through inorganic growth as well. As a result, the Group has made 22 successful acquisitions since 2002. In addition, SAMIL has been instrumental in driving the Group's evolution through partnerships as a third avenue of expansion. Today, the Group has 33 joint-venture partners who are leaders in their respective fields. The force that drives all these partnerships is the aim to augment capabilities to fulfil various customer requirements and create win-win relationships.

The growth propellers of SAMIL, together with its broad portfolio, strengthen the position of MSSL to further enhance its capabilities and emerge as a full-system solutions provider across a range of industries for all its customers and create value for all stakeholders.

Sumitomo Wiring Systems.

Sumitomo Wiring Systems Limited (SWS) is a 100% subsidiary of Sumitomo Electric Industries Japan, a world leader in the manufacturing of wiring harnesses, harness components and other electric wires.

The association between Samvardhana Motherson Group (SMG) and Sumitomo Wiring Systems (SWS) goes back to 1983 with the signing of a technical agreement. Subsequently, Motherson Sumi Systems Limited (MSSL) was established as a joint venture in 1986 to manufacture wiring harnesses in India. SWS continues to be the principal partner to MSSL, and the partnership remains one of the oldest running JVs in India.

Along with its robust technology base and strong orientation towards research, SWS has consistently developed and introduced new components and technologies into the market. As a result, MSSL has further strengthened the vertical integration of its wiring harness division. This has enabled MSSL to continuously innovate and provide its customers with the latest technologies in wiring harnesses, wires, and components and improve its manufacturing efficiencies by leaps and bounds. The partnership strengthens the commitment of MSSL to continuously improve its core services portfolio, expanding its offerings into new areas of potential growth. The combined disciplined approach and customer-focused expansion has allowed MSSL to increase content and value per vehicle.

The collaborative nature of the relationship between the two partners has empowered them to amplify the support they provide to their customers. SWS and MSSL have successfully joined forces on important projects such as junction boxes, aluminium wires in wiring harnesses, next-generation connectors and the automation of important processes. The contribution of SWS has also been 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. The support SWS provides has always enabled MSSL to deliver outstanding value to all its stakeholders.

The partnership strengthens MSSL's commitment to continuously improve ***its core services portfolio, expanding its offerings into new areas of potential growth.***

Samvardhana Motherson Group.

Being one of the largest suppliers to automotive OEMs in the world, the vision of Samvardhana Motherson Group (SMG) is to be a globally preferred solutions provider. The Group recorded a turnover of USD 11.7 billion in 2018-19. Working towards this vision, the Group continues its disciplined and customer-led expansion into new geographies and product categories. SMG provides support to a well-balanced customer base globally with its presence in 41 countries spanning five continents, from more than 270 facilities and an international network of modern plants, design centres and offices.

SMG is one of the world's leading specialised automotive component manufacturing companies for OEMs that is geared towards providing customers with innovative and value-added products, services and solutions. The Group combines innovation and creativity to meet the continuously transforming needs of customers around the world. The trust that our customers have shown in us inspires the Group to constantly push technological boundaries This has paved the way towards sustained, strong growth through horizontal and vertical integration across its various businesses.

SMG provides support to its customers from the initial stages of product development - including conceptualisation and design along with prototyping and tool manufacturing - to production, assembly and delivery. This makes it a full-system solutions provider to its customers globally. SMG offers comprehensive solutions spanning a range of applications across diverse industries. The unique competencies of the constituent companies combine to develop integrated solutions for the Group's customers. The product portfolio of the Group comprises electrical distribution systems (wiring harnesses), automotive rearview mirrors, moulded plastic parts and assemblies, extruded and injection-moulding tools and components, moulded and extruded-rubber components, interior and exterior polymer modules like cockpits / IPs, door trims, bumpers, automotive modules such as lighting systems, air intake manifolds, pedal box assemblies, HVAC systems for passenger and commercial vehicles, air conditioning systems and roof hatches for buses, clutches for car AC compressors, cabins for off-highway vehicles, machined metal products, cutting tools, aluminium die-cast products, sheet metal parts, sintered metal parts, thin film coating metals, IT services and wireless power. The Group has also invested in technologies that provide manufacturing support including compressors, paint-coating equipment, auxiliary equipment for injection moulding machines, intelligent cooling solutions and automotive manufacturing engineering services. The Group has expanded its presence in new areas that include Aerospace, Defence and Security, Logistics and Medical Diagnostic Equipment. This has been in keeping with the Group's belief of moving forward by virtue of excellence in delivery, creating value propositions and constant growth.

From the factory floor to the boardroom, each employee is proud to be part of something bigger, and this realisation is a powerful motivator. It is the ability of the Group to harness this power that sets it apart and defines its spirit and success.

The Group is ceaselessly expanding its diversified bouquet of verticals to include ***a wider choice of products and services for its customer base.***

SMG provides support to a well-balanced customer base in

41 **countries**

05 **continents**

>270 **facilities**

Business portfolio.

SMG is a global solutions provider offering end-to-end design and manufacturing solutions to its customers, including product concept and product design, engineering, prototyping and tool manufacturing, product manufacturing, assembly and the production of integrated modules. The Group provides integrated full system solutions across all product verticals, through the combination of different technologies, products and services. The SMG business portfolio covers multiple areas of the automotive value chain as well as several non-automotive industries. The product range includes:

01. Wiring harness

The Group makes wiring harnesses primarily for the automotive industry, catering to diverse vehicle segments. It is one of the most vertically integrated verticals. The Group is committed to servicing the clients' need for technological advancement, catering to diverse vehicle segments from commercial and off-road vehicles, rolling stock to other industrial applications such as specialised medical equipment globally. It also provides complete solutions for the customers' wiring harness requirements including design from basic vehicle schematics, development, prototyping, validation and manufacturing of wiring harnesses.

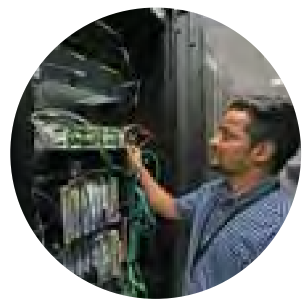
02. Vision systems

The Group is one of the leading global producers of vision systems for the automotive industry. The product line comprises both exterior and interior vision systems and camera-based vision systems that it supplies to the performance and premium segments, medium segments and the cost-driven, high-volume segments of the automotive OEMs.

03. Modules and polymer products

The division develops and produces a highly diversified product range from simple plastic parts to highly integrated systems, supplied to car makers around the globe. The division's high-quality interior and exterior modules characterise the appearance of multiple admired car models. The group also supplies a wide range of elastomer-based solutions and products to a spectrum of industries, including automotive, medical, and home appliances and for general industrial applications.

04. Technology & software



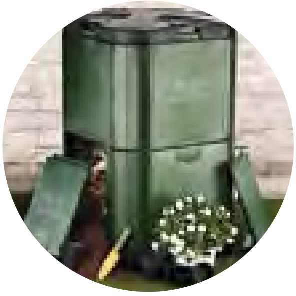
Technology and Software sustains the digital foundation of the Group's global operations. It provides cutting-edge IT solutions to external clients from different industry verticals globally. This vertical also spearheads the technology front in all the verticals of the Group and helps it to be a one-stop shop for various product needs for customers globally. This is a vertical that aims to be truly visionary and think beyond the present capabilities of the Group. It aims to meet the changing market needs of customers and to have a futuristic approach in understanding industry trends and their relevance to the Group.

The Group provides integrated full system solutions across all product verticals, ***through the combination of different technologies, products and services.***

05.
Metal products

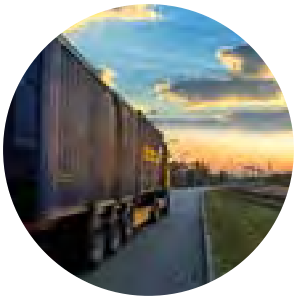
The vertical offers a wide array of products like cabins for off-highway vehicles, shock absorbers, cutting tools, gear-cutting tools, precision machined metal components, sheet metal parts, clutches for car AC compressors and products such as sintered metal parts, aluminium die-cast products and thin film coating services to a wide spectrum of customers. It also includes HVAC systems for passenger cars and commercial vehicles as well as air conditioning systems and roof hatches for buses.

06.
Retail & services



The Retail & services vertical of the Group consists of a spectrum of businesses that go beyond OEM supplies to direct business-to-business supplies, supplies through distributor networks and agencies and direct sales and services to the end customers. The endeavour is for most of these products and services to directly support the manufacturing operations of its customers. This enables the Group to establish stronger relationships with customers, going beyond supplying standard products and modules.

07.
Logistics



The Logistics vertical is SMG's focused approach to bring efficiency, technology and specialisation in both the Groups' internal supply chains and as a means to offer better solutions to clients. The vertical aims to evolve as a single-window technology, empowering 4PL solutions for all SMG companies with zero-service-failure assurance. The focus is to provide a better car carriage solution to OEM customers based on their 3MT Strategy: a scientific approach to betterment of Men, best in class Machines, standardisation of Method and cutting edge Technology.

Motherson Sumi Systems Limited

Motherson Sumi Systems Limited (MSSL) is a specialised full-system solutions provider and caters to a diverse range of customers in the automotive and other industries across Asia, Europe, North America, South America, Australia and Africa. It is the flagship company of the Samvardhana Motherson Group (SMG) and is a listed entity. The company has a strong and growing presence in wiring harnesses, rearview mirrors, cockpits, bumpers, interior trim as well as a broad range of other polymer, elastomer and metal-based parts and systems. MSSL offers proximity to its customers, supporting them with product requirements across the globe.

At the core of MSSL is the idea of creating customer value, which in turn brings strong relationships and financial returns. Therefore, MSSL is true to its products, focusing on quality management and continuous improvement in all aspects that are truly vital for the customer. This passion is not just part of the mind-set of the management teams but runs in the DNA of the company, from the boardroom to the shop floor: from organic growth through Greenfield operations to entering new product categories or countries and to the pervasive, bottom-up process improvement initiatives. The aim is always the same: supporting the requirements of our customers across geographies.

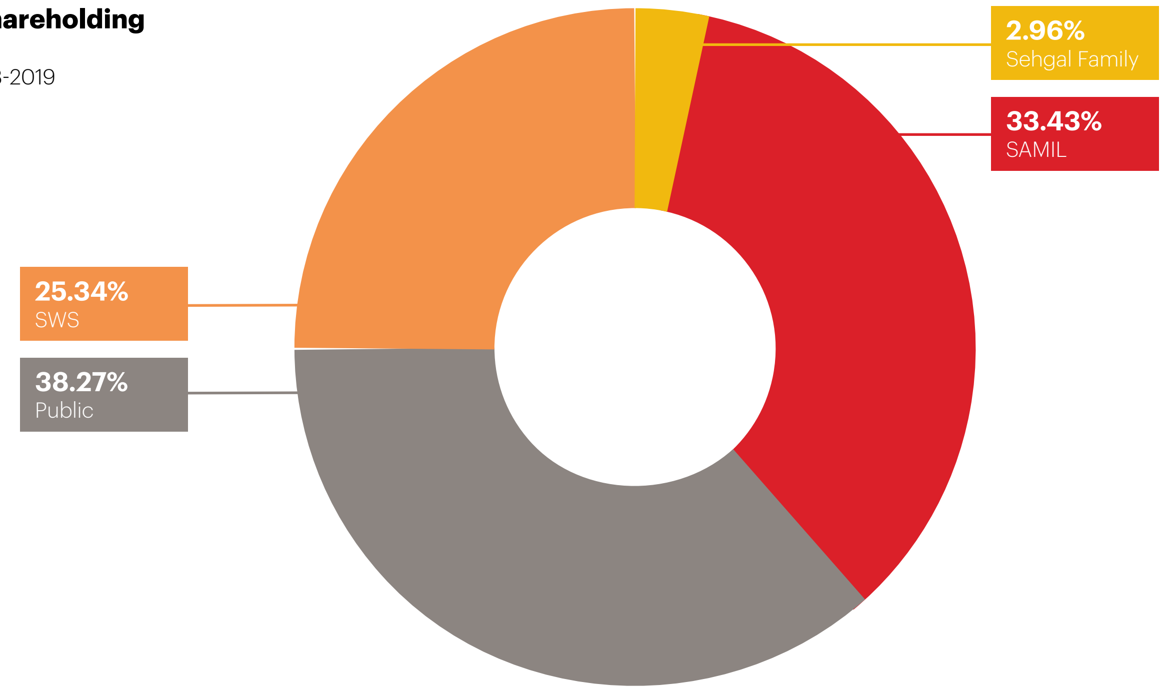
MSSL has taken new and innovative technologies to fast-growing and developed markets through its research-oriented approach. Combined with successful partnerships with technology leaders over the years, the company has further enhanced its competencies by incorporating global best practices. MSSL endeavours to seamlessly blend design, infrastructure and technological competencies, expanding the product range and ensuring close proximity to customers.

As the end of the 2020 plan approaches, MSSL aims to expand and consolidate its global operations further. With over 230 facilities across 41 countries, MSSL operates close to its customers globally. By delivering on the needs and requirements of customers, investors, employees and the communities where it operates, MSSL drives its own growth.

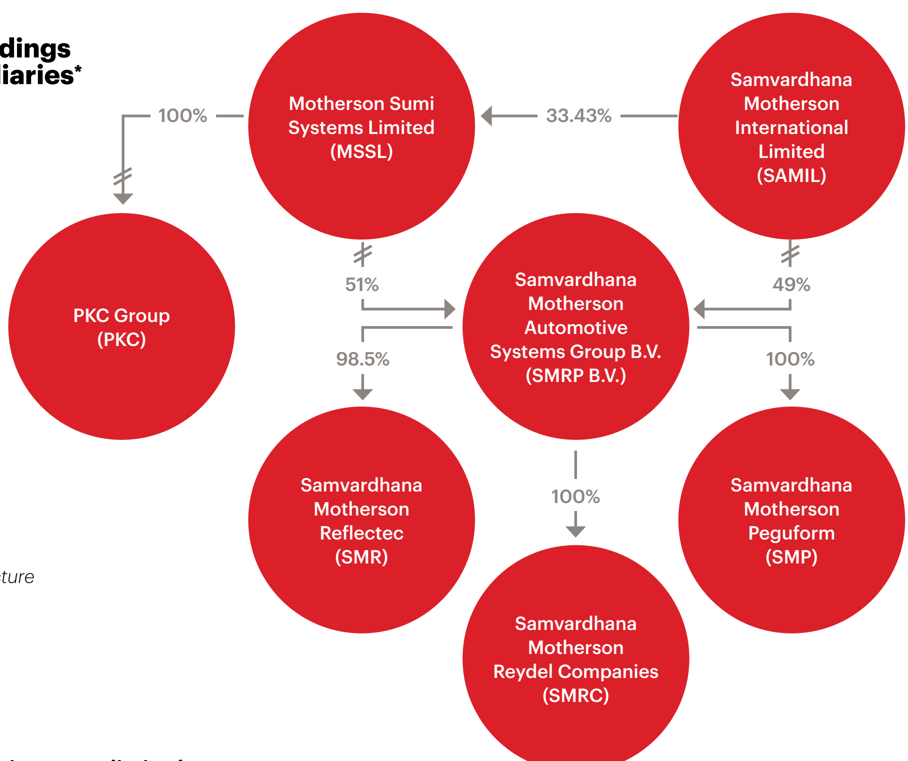
From organic growth through greenfield operations to entering new product categories or countries and to the pervasive, bottom-up process ***improvement initiatives, the aim is always the same: supporting the requirements of our customers across geographies.***

MSSL shareholder structure.

MSSL shareholding pattern
as on 31-03-2019



MSSL shareholdings in major subsidiaries*
as on 31-03-2019



*This is not a legal structure
Indirect holding

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

The fifth 5-year plan.

No. 1

USD 18 billion FY 19-20

(Turnover)

No. 2

40% ROCE

(Consolidated)

No. 3

3CX15

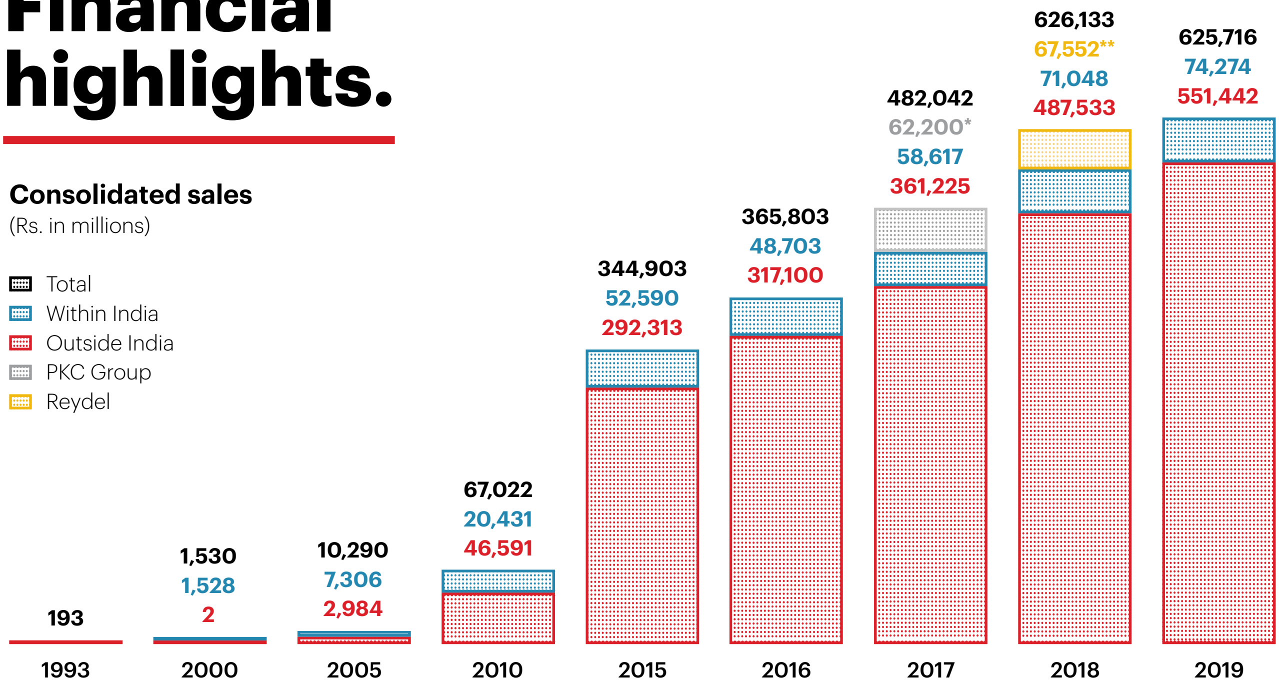
3CX15 means no country, customer or component should contribute more than 15% to our revenues

No. 4

40% of consolidated profit as dividend

Financial highlights.

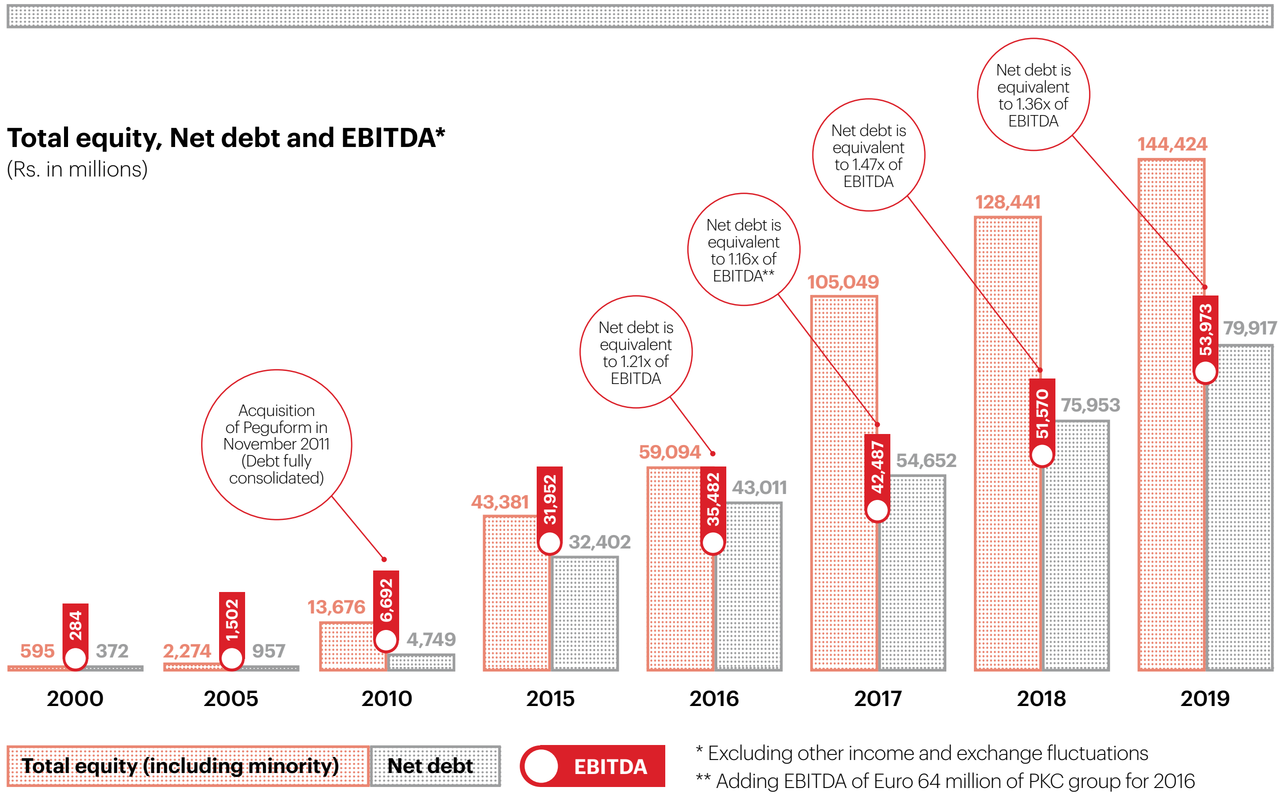
Consolidated sales
(Rs. in millions)



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

** Revenue of proposed acquisition of Reydel group amounting to USD 1,048 million (based on unaudited financials for CY 17 USGAAP) on proforma

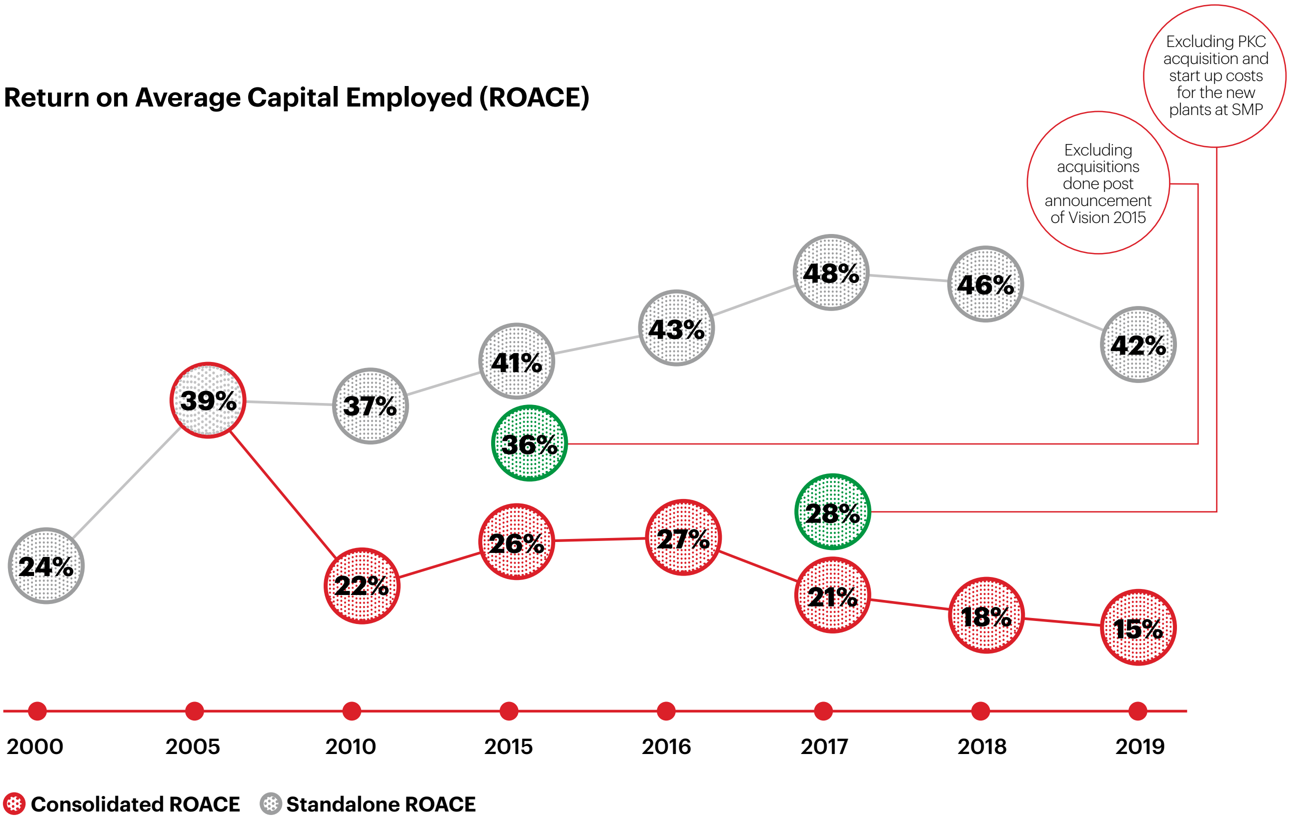
Total equity, Net debt and EBITDA*
(Rs. in millions)



* Excluding other income and exchange fluctuations

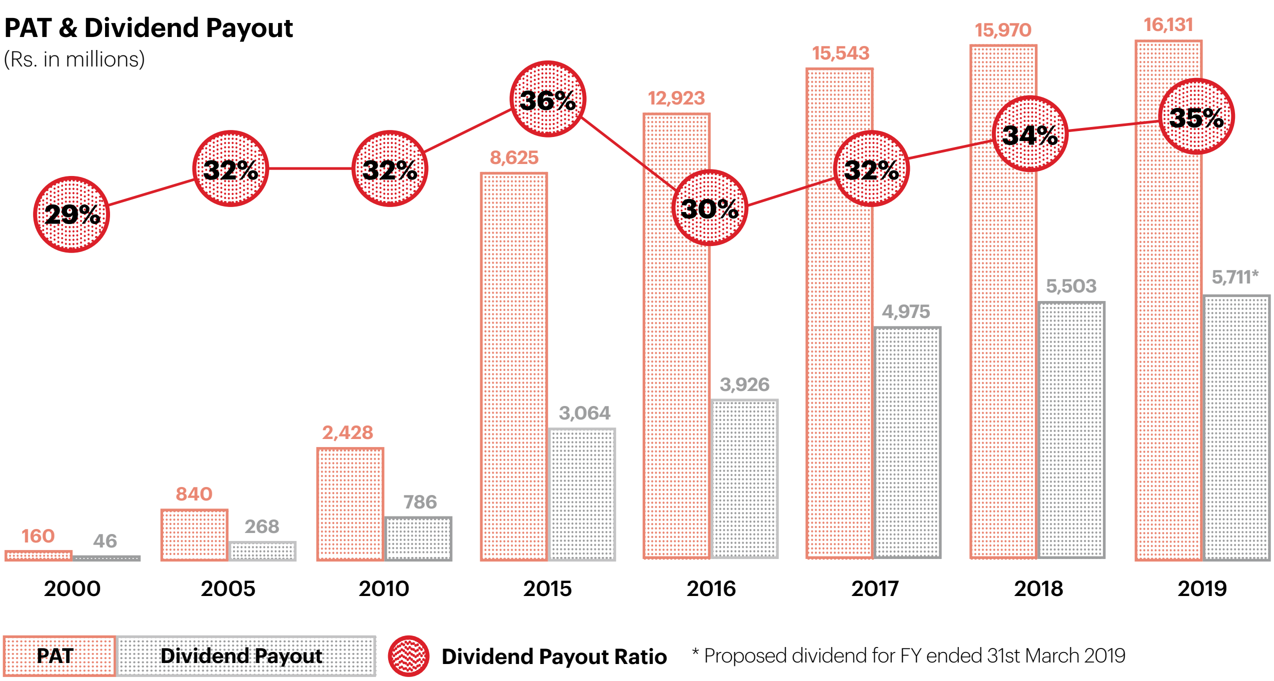
** Adding EBITDA of Euro 64 million of PKC group for 2016

Return on Average Capital Employed (ROACE)

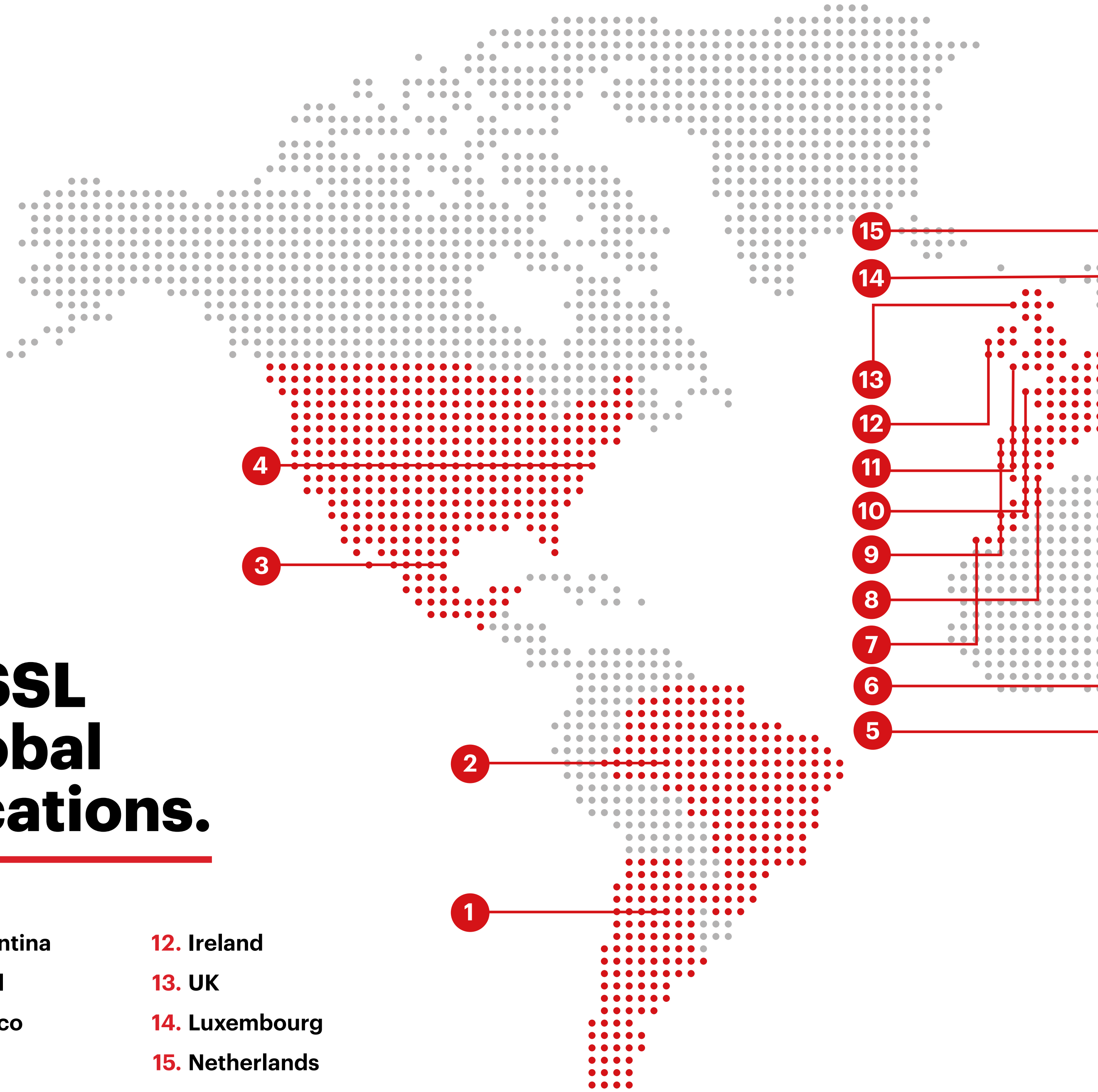


PAT & Dividend Payout

(Rs. in millions)

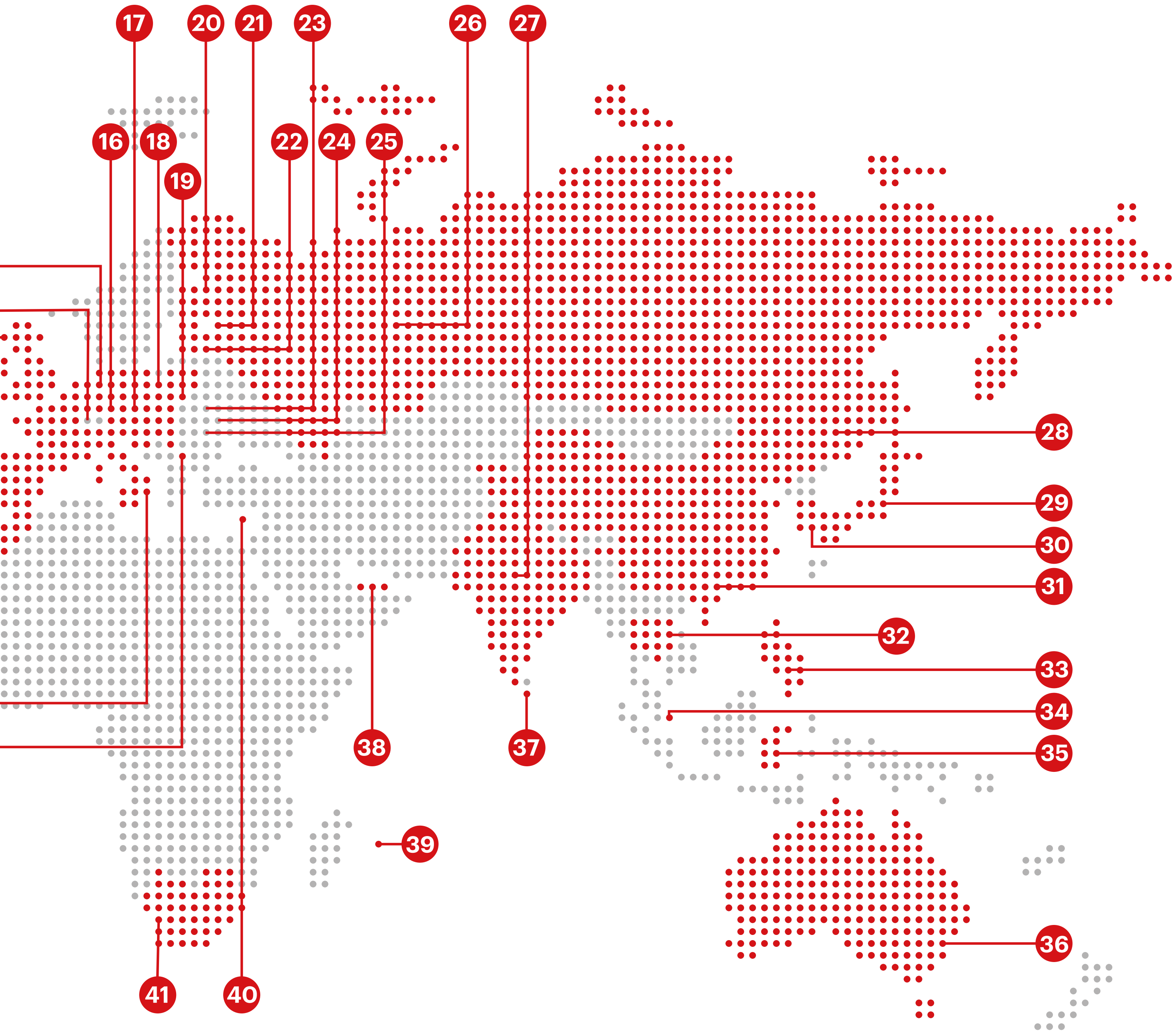


* Proposed dividend for FY ended 31st March 2019



MSSL global locations.

1. Argentina
2. Brazil
3. Mexico
4. USA
5. Macedonia
6. Italy
7. Morocco
8. Spain
9. Portugal
10. France
11. Jersey
12. Ireland
13. UK
14. Luxembourg
15. Netherlands
16. Germany
17. Czech Republic
18. Poland
19. Slovakia
20. Finland
21. Estonia
22. Lithuania



23. Hungary
24. Serbia
25. Croatia
26. Russia
27. India
28. China
29. Japan
30. South Korea
31. Hong Kong
32. Thailand
33. Philippines
34. Singapore
35. Indonesia
36. Australia
37. Sri Lanka
38. UAE
39. Mauritius
40. Cyprus
41. South Africa

Wiring harness.

Motherson Sumi Systems Limited (MSSL) was founded in 1986 as a joint venture with Sumitomo Wiring Systems, Japan for its wiring harness business. The company along with its subsidiaries supplies to all major OEMs in the transportation industry in India as well as the global OEM market.

Customer centricity is the core of the organisation. MSSL supports its customers by providing optimised solutions in the design and development of electrical distribution systems, electronics and related architectural components. Emerging trends in the industry are proactively sensed which paves the way to develop the corresponding capabilities accordingly.

After the acquisition of PKC, MSSL has made one more acquisition in the rolling stock business- Bombardier Transportation (Rolling Stock) UK Ltd. The company, one of our key customers in the segment transferred its in-house operations to us, exemplifying the trust our customers place in us. With this acquisition, the wiring harness vertical has increased its presence in Europe's rolling stock business.

Taking a glance at the North American market, MSSL has strengthened its foothold by increasing its share of business in the commercial vehicle and agricultural market. The company was awarded businesses in new business segments such as recreational vehicles, construction equipment and new customers in existing segments such as engines, military vehicles and the agricultural market. Numerous models were launched in the commercial vehicle segment, out of which four were high complexity models. The company also collaborated in the launch of a high-volume truck by a leading truck maker, with new electrical architecture supplied by the vertical. Along with this, a long-term partnership agreement was also signed with a major CV maker. In order to support its commercial vehicle customer's "uptime" initiative, a dedicated Service & Aftermarket parts facility was set up during the year.

The European & South American regions are observing the progress as the business develops with new products, new vehicle launches, peak production and recognitions by customers. Many new businesses were nominated in Europe across different segments including fuse boxes. MSSL delivered the highest number of harnesses for trucks, off road equipment and Tier-1 manufacturers, while high voltage and RIM harnesses were launched for its truck customers. The company had a variety of harnesses for its customers producing lighting and HVAC modules, and at the same time, it started box harnesses for utility vehicles. Apart from winning new businesses from other truck and agriculture equipment manufacturers, The company became a prime supplier of wiring harness for a leading truck maker in South America. The capacity of the manufacturing facility is being enhanced in Brazil by optimising the space utilisation and further expanding the facility.

The combination of the growing confidence of customers in the APAC region along with a strong order book, has enabled MSSL to move to its own bigger manufacturing facility in Thailand. Being entrusted with an electric trucks' wiring harness business by one of its global customers in Japan is a true testimony of their trust in MSSL's capabilities. MSSL has also added resources in Japan to support a lot of development opportunities coming its way from off roads and the commercial vehicle segment.

The division also completed the construction of a dedicated facility in Weifang city for China's CV market, under its JV's subsidiary. Being awarded the wiring harness business for bus and electric trucks by a leading CV maker it has further augmented MSSL's EV business portfolio.

To maintain our leadership, the team continuously strives to anticipate and ***meet customer needs by offering tailor made solution for future technologies.***

In the Indian automotive industry, it has been a year of numerous launches, MSSL is a proud supplier of wiring harnesses to most of the new launches made by our customers. Our biggest customer has expanded its manufacturing facilities, hence, in order to support their increased capacities, a new manufacturing facility was successfully ramped up in Pithampur in addition to the earlier expansion in Gujarat. A new wire facility was also inaugurated in Pithampur to expand capacities in central-western India.

MSSL was instrumental in the development of wiring harness systems and associated components like power distribution modules and connector systems for a successfully launched premium MPV by a major OEM in India. The company is also co-creating solutions with customers across transportation segment for wiring harness systems for upcoming emission norms and other advanced regulations planned in the next couple of years.

MSSL takes pride in being recognised by its customers for its efforts to meet their expectations. The vertical rounded up this year with numerous awards from various customers globally, across various segments, which is a true testament of the trust and confidence MSSL receives from its customers. Greenfield projects and global expansion requires the team to work in tandem and co-create a learning environment which adapts the best practices globally. Therefore, cross-border collaboration has helped us to maintain the right processes and right values across operations.

Vision systems.

Samvardhana Motherson Reflectec (SMR) is a specialist in rearview mirror systems and a pioneer in intelligent camera systems for automotive applications, supporting the world's leading OEMs and helping to bring the future of the automotive industry to life. In this fiscal year, SMR has made significant progress in the areas of growth, ROCE and 3CX15.

New customers, expansion in China and India and a new business line

SMR is seeing increasing business sustainability through market and customer diversification contributing to its target of 3CX15. SMR has added new customers this year from across geographies like Europe, USA and China in the areas of conventional as well as in the e-mobility space.

Since SMR entered China more than 10 years ago, it has set up production hubs in four of the largest automotive cluster regions in the country, some of those through a joint venture with Huaxiang. This provides SMR a perfect base to support and increase business with Chinese OEMs. SMR is setting up highly efficient and cost-effective production lines for mirror subcomponents in its brand new facility in Yangcheng. These subcomponents, which include complex modular subassemblies for mirrors, will be provided to other manufacturing plants of SMR, allowing them to reduce production and assembly cost. In India, SMR is enhancing its manufacturing capacity in Pune due to increasing demand in the region.

In the new camera-based digital mirrors segment, SMR is converting its efforts in developing this technology into a new business line.

SMR Hungary plant 2 is preparing the launch of several high-volume mirror programmes for vehicle lines. This factory was set up right after SMR joined the Motherson Group to supply the first generation of mirrors to these customers. This plant is a perfect example of customers placing and cementing their trust in Motherson. SMR Hungary is also giving localisation support for MATE Turkeve plant in Hungary, like it helped SMP, to establish a large factory in Kecskemét.

Implementing methods for strong improvements

While capacity expansions are ongoing, SMR is focusing on efficiency improvements for sustainable profitability.

A new management tool

Over the last years, SMR has introduced and rolled out the "Strategic Objectives & Policy Deployment Process." It is a management instrument for continuous improvement helping thousands of employees to work together on common goals, from global strategic objectives to individual business and operational targets.

After the positive trend in the last few years, SMR is focusing on a range of improvement programmes aligned with the 2020 target of 40% ROCE. SMR is committed to its internal Project SUMO (Sustain and Move ahead), focused on reducing cost in key operational and organisational areas. The results are immediately tangible and have so far exceeded the expectations.

Investment in verticals

As a full-system solutions provider, SMR continuously invests across verticals and is localising the manufacturing of mirror glass actuators at SMR Yangcheng (China). It optimises costs in and for the East Asian region for one of the most relevant subcomponents of automotive mirrors. SMR is also localising the manufacturing of mirror glass actuators at Chennai, India as well as modernising its paint shops to support its customers.

In this fiscal year, SMR has made significant ***progress in the areas of growth, ROCE and 3CX15***

Modules & polymer products.

The Polymers and Modules vertical is the largest business line of MSSL. It encompasses high-level polymer modules and includes some of the most integrated solutions supplied to the customers. The vertical supplies to the entire cross-section of the industry from premium high-end vehicles to the low-end mass segment.

The product line of the division 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, front-end modules and carriers. The in-house capabilities also include development and production of polymer compounds.

Polymer processing operations cover a wide range of polymer processing technologies. It requires an amalgamation of different technologies that the division provides with different joint ventures and companies such as MATE, SMP and SMRC.

MATE represents the polymer business of MSSL, which started in India and has gradually expanded globally. The company is one of the largest suppliers of moulded parts, assemblies and modules to the Indian automotive industry. The company reported important new orders from existing customers for doing all interior and exterior plastic parts, instrument panels and in-mould decoration interior parts. MATE ventured into manufacturing parts for the consumer goods industry, adding to the industry segments it serves. A significant development was its moving towards a vertical integration with PKC for wiring harness and other Polymer companies to achieve the 2020 goal.

Peguform was acquired in 2011, renamed Samvardhana Motherson Peguform (SMP) and is an established global Tier 1 manufacturer of polymer-based interior and exterior automotive modules. MSSL already had a niche presence in India, South Africa, Germany and the Czech Republic for polymer products and components. With the successful acquisition and integration of Peguform, MSSL's polymers vertical gathered pace. SMP is headquartered in Germany and has a global presence including Brazil, China, Hungary, Mexico, Portugal, Slovakia, Spain and the USA. The company is one of the most preferred suppliers for carmakers worldwide for polymer-based interior and exterior automotive modules. It makes highly advanced and aesthetic components catering to vehicles across all segments. It is one of the largest manufacturers of bumpers, rocker panels, instrument

SMP opened a new project and technology centre at Neustadt, Germany.

After a successful association with the customer in the door panel project, ***SMP Neustadt was nominated for manufacturing the new rocker cover.***

panels, interior door panels and other related products for the European automotive industry.

This year SMP has taken many initiatives keeping the longer vision and 2020 goal in mind. A new project and technology centre was opened at Neustadt and is known as the pre-series technology centre. This facility acts as a pivot for both SMP and its customers. The centre acts as the starting point for technical discussions with customers, which includes discussions on the three important parameters of enhancing quality, working on efficient delivery schedules and optimising costs. The pre-series center helps SMP develop new products and processes faster and at higher quality. The goal of the centre is to bring together "theory and practice", "software and hardware" as well as employees across all levels in one place.

Operations Manager using 'Factory Analytics Solutions' software to monitor the real time performance.

SMP took another significant step towards improving its operations globally with the 'Factory Analytics Solutions' system. The software enables plant management to monitor operations performance in near-real time from remote locations. These can be viewed by the operations manager of the plant and also the company head with just one click.

The software was launched in the three biggest greenfield plants of SMP: Mexico, Hungary and Tuscaloosa (US). The efforts at SMP have been varied and consistent. The company was nominated as the supplier of the new door panel for the New Heavy and Mid-Range (NHMR) model for the new customer. The first pre-series parts were delivered to the customer in August 2018. After a successful association with the customer in the door panel project, SMP Neustadt was nominated for manufacturing the new rocker cover product by the same customer for the coming 10 years.

Integrating SMRC into MSSL.

On August 2nd, 2018 the Reydel Group was acquired by the Samvardhana Motherson Group to become Samvardhana Motherson Reydel Companies (SMRC.) This is the Group's 21st acquisition, further bolstering MSSL's offering in the automotive interiors space.

With synergies in place and values aligned to the Group vision, ***the future is bright for growth and expansion.***

Through the acquisition, MSSL further consolidates its position as a global interior supplier through the synergistic combination of complementary portfolios and capabilities.

SMRC designs and manufactures complete modular interior systems, providing innovative quality products to vehicle manufacturers worldwide. The SMRC Group's product portfolio includes cockpit modules, instrument panels, door panels, console modules, decorative parts and customised solutions. SMRC also offers interior products, material and surface technologies and high-performance solutions for medium-segment vehicles.

The company brings a strong footprint in France and Spain in Europe and also in the Asian region and South America. The acquisition enhances MSSL's diversification both in terms of customer portfolio and geographical footprint.

The high expertise levels in design and innovation of SMRC's technical centres combined with strong customer relationships are in total alignment with MSSL's existing offerings. The integration of SMRC into MSSL is thus mutually beneficial. MSSL offered SMRC new prospects for development and SMRC brought new customers, additional products and technologies and an extended footprint to MSSL.

SMRC Today

SMRC has the capability to design, develop and manufacture complete and functional modular interior systems. Its expertise in manufacturing, materials, design and styling allows the company to provide innovative, cost-and weight-efficient products. SMRC caters to the leading car manufacturers in the world and does so across three continents. In order to provide customers with the best service and reactivity, the SMRC plants were built near the customers' locations.

A few important strategic initiatives were undertaken after the acquisition of SMRC. This includes the extension of the Kaluga plant. Further, close cooperation between Motherson Innovations and the Product Development, Marketing & Research and Innovation teams of SMRC was initiated, in order to enhance innovations within the Group.

SMRC has 18 manufacturing facilities, three just-in-time assembly sites and eight technical centres located in Europe, South America and Asia. The SMRC factories exhibit significant industrial capabilities, including injection, foaming, slush, painting, assembly, thermoforming, flaming, press bonding, laser scoring, ultrasonic welding and thermo covering.

The History of SMRC

The adventure began in 1914, when Joseph Reydel created a company producing rainwear and bicycle saddles in the city of Villeurbanne in the centre of France. In January 1935, Joseph Reydel decided to sell the company to Jean Bourgois, who moved the plant to the Paris region. The Reydel teams continued manufacturing all kinds of saddles until the beginning of the war.

The year 1956 marked the turning point for the company, when it started using cutting-edge materials on almost every product, meeting the needs of its customers. With this perspective, Reydel's teams dedicated their production exclusively to moped manufacturers Peugeot Cycles and Motobécane.

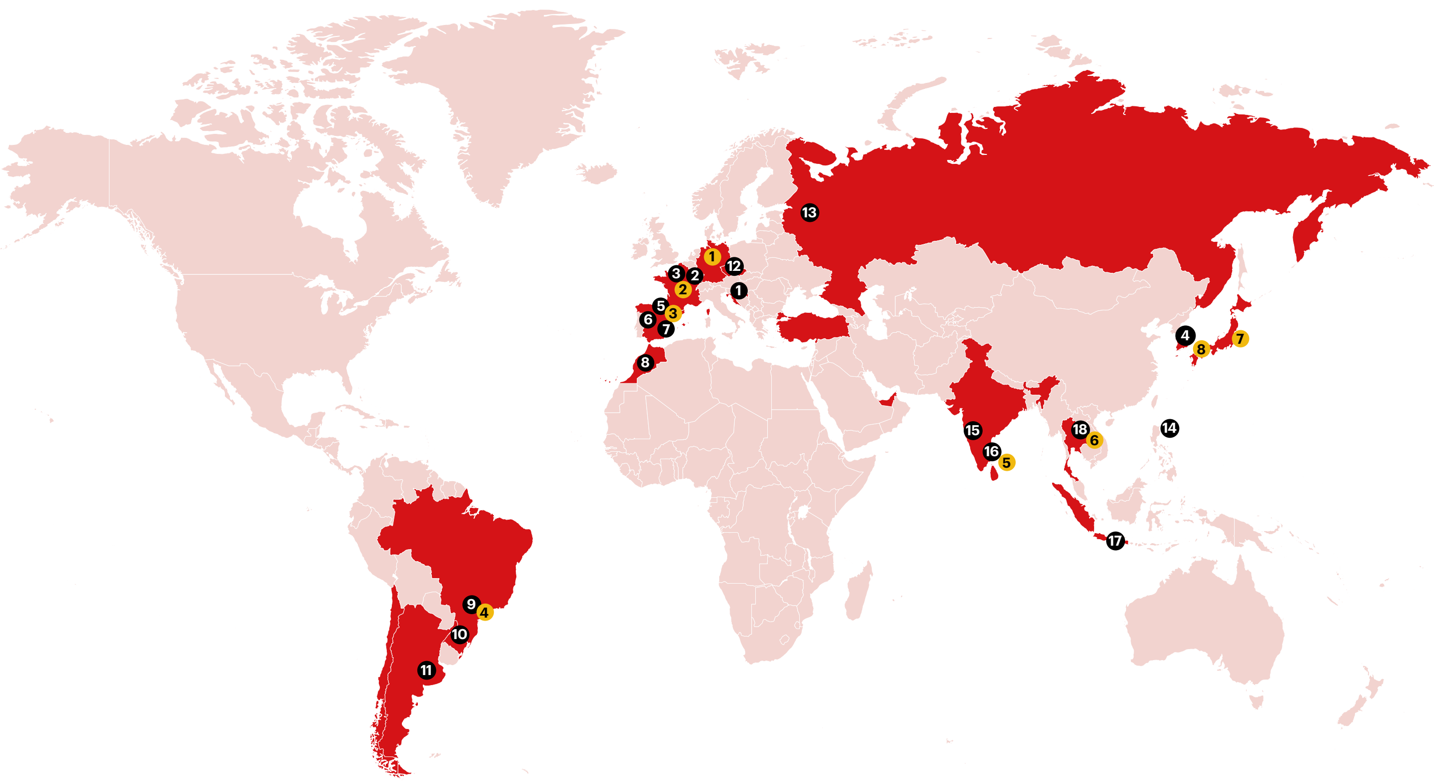
Thanks to this technological evolution, the Reydel teams developed new engineering skills. Therefore, in 1959 Reydel produced its first plastic parts for an automaker and entered the automotive market. Reydel's first instrument panel was made for the Renault 12 in 1969, followed by the R 10 and R 16. Further development continued with the production of armrests for the Renault 15, 17 and 5 and of door trims for the Peugeot 204, 304 and 504. The company kept innovating, as the first "thermoformed" instrument panel was produced in 1974, serving as proof of the unique know-how of the company's engineers.

In the following years, the company went through a diversification of products and activities, opening subsidiaries in the United Kingdom and France. By 1980, the company became a dedicated automotive supplier as it continued to adapt to the automakers' demanding needs. Following Peugeot's advice, it created a joint venture with a fabric manufacturer and continued its strategy of implantation close to the customers' sites.

Finally, on August 2nd, 2018, the Reydel Group was acquired by the Samvardhana Motherson Group to become Samvardhana Motherson Reydel Companies (SMRC).

Manufacturing Locations

1. Zagreb, Croatia
2. Rougegoutte, France
3. Gondecourt, France
4. Korea (JV)
5. Igualada, Spain
6. Salceda
7. Medina, Spain
8. Tetouan, Morocco
9. Arbor, Brazil
10. Gravatai, Brazil
11. Otto Krause, Argentina
12. Nitra, Slovakia
13. Kaluga, Russia
14. Santa Rosa, Philippines
15. Pune, India
16. Chennai, India
17. Jakarta, Indonesia
18. Rayong, Thailand



Over the last year, SMRC has invested not only in increasing efficiency but also in new technologies, such as multi-material stitched skin, local covering overmoulding, two-colour,one-shot fabric, two-tone mould in colour, translucent thermoplastic olefin, zero-gap decorative integration, R-Flax colour natural fibre, thin film overmoulding, M3D inskin, IEPP, moulded-in deco, decoprint plastic cardboard, easy fix and structural gluing.

Technical Centers

1. Teltow, Germany
2. Harnes, France
3. Igualada, Spain
4. Arbor, Brazil
5. Chennai, India
6. Rayong, Thailand
7. Yokohama, Japan
8. Seoul, Korea

SMRC product portfolio.

01
Cockpit Modules

SMRC develops and manufactures cockpit modules that not only meet the increasing needs of car manufacturers around the world but is also engineered with a consumer focus in mind. These modules extend beyond the physical and functional elements that comprise a system to include a consumer-centric solution. SMRC's innovative cockpit modules include an instrument panel and one or more of the following: wire harness, audio, instrument cluster, climate control head, finish panels, steering, etc. One of the features of these modules is that they incorporate advanced analytical tools and real-world testing capabilities that improve noise, vibration and harshness (NVH), safety, and comfort for consumers.

02
Instrument Panels

SMRC's instrument panel is a finished, integrated assembly that consists of a structure, substrate, the optional assembly of the glove box, AC ducts, demisters (with associated ducts) and registers. These panels have been engineered by its research and development teams to meet the customers' needs of consumer perceived quality. It provides additional value to the customer by offering flexible and cost-efficient solutions, such as variable air speed ventilation and electronic glove box actuation. These panels can also incorporate a variety of technologies (materials and processes) to create cost-efficient product differentiation.

03
Door Panels

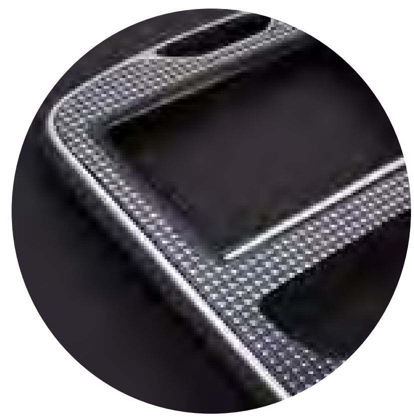
SMRC makes advanced and aesthetic door panels that are a result of its expertise in manufacturing, materials, design and styling, These panels incorporate various hard and soft materials such as: cloth, leather, natural fibres, wood stock, polypropylene, polyvinyl chloride (PVC) etc. The door trim portfolio of SMRC is the result of a wide range of manufacturing techniques and material options that support an array of technologies focused on differentiation.

Working seamlessly within the customer's development cycle in combination with its own approach, allows SMRC to deliver ***an end product with improved craftsmanship, style, safety and security, comfort and convenience.***

04
Floor Consoles

SMRC is an expert in innovating, manufacturing and designing a wide range of fixed and moving consoles adapted to all kinds of vehicles, providing a flexible and unique storage solution to the end consumer. The Floor Consoles of SMRC have remarkable storage systems, integrating electronic options and cup-holder systems.
The moving-console system moves forward and backward to provide storage solutions for both the front and rear passengers. Each floor console manufactured by SMRC is delivered to the vehicle manufacturer with the highest level of craftsmanship and performance, ensuring that all floor consoles meet the demands of vehicle manufacturers and end consumers regarding their functional storage needs in the interior.

05
Decorative Parts



SMRC's expertise in decorative parts allows it to design decorations in all kinds of materials and supports using combinations and colours. These are both modern and creative and would constitute smart interiors. SMRC uses different technologies to create decorative parts integrated into the instrument panels, the door panels and trims.

Metal working.

The MSSL metal working division produces precision machined metal components for the global automotive industry and for medical applications. It specialises in metal turning and plastic-metal combined parts.

Built on a foundation of strong commitment and the latest methodologies, MSSL, with its metal working toolkit, has robust technology capabilities to enable truly differentiated and sustainable solutions for customers.

The metal working division has world-class capabilities in all kinds of turning operations, specifically in high-precision parts. The segment empowers its customers by creating solutions with exceptional performance and process enhancements for consumer applications. The vertical operates facilities in India (MSSL standalone level), Germany and Mexico under a 100% subsidiary of MSSL.

Taking forward its commitment to excellence, the vertical undertakes contract manufacturing of high-precision machined metal components and assemblies for the medical sector as well. For this purpose, the facilities in India include state-of-the-art CNC machines and highly customised special-purpose machines, bi-metal brazing supported by surface treatment and metrological measuring facilities. For industries including scientific and engineering applications, the vertical offers total metal-machining solutions.

Built on a foundation of strong commitment and latest methodologies, MSSL with its metal ***working toolkit has robust technology capabilities to enable truly differentiated and sustainable solutions for customers.***

Elastomer processing.

MSSL's elastomers business supplies customers in the automotive industry, the medical sector and the home-appliances industry. In addition to this, it offers solutions for general industry applications. In its endeavour to provide a broad range of solutions, the elastomer business specialises in elastomer processing, including rubber compounding and injection-moulded rubber parts, bonded parts and extruded-rubber components.

The vertical provides its customers with innovative solutions and expert application-development assistance to enhance the performance, reduce the total system cost and optimise the sustainability of their products. The rubber injection-moulding product range covers grommets, boots, bellows, gaskets, seals, water strike back valves, damper rings, nozzles, rubber-to-plastic and rubber-to-metal products among others, for application in the automotive and other industries.

MSSL envisages great opportunities for its elastomers business to cater to different market segments. Hence, with its strong capabilities, coupled with the company's commitment to support leading brands in a variety of industries, the elastomer business has come up with over 19,000 formulae for a wide range of applications, including 15 different polymers. The elastomers vertical has garnered strong capabilities in developing rubber compounds and also has a non-tyre-related rubber-mixing plant to service the clients' need for technological advancements.

The range of compression-moulded rubber components and extruded-rubber products include 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, auto suspension components and moulded-rubber brake components for automotive, non-automotive and industrial applications.

The plants in Chennai and Noida in India operate under MAE, a division of MSSL standalone. The facilities in Australia are under MEPL, a subsidiary of MSSL. All these plants have state-of-the-art moulding setups with world-class, fully automated rubber-compounding facilities to match customer expectations.

The elastomer business specialises in elastomer processing, including rubber compounding ***and injection moulded rubber parts, bonded parts and extruded rubber components.***

How Motherson Innovations is connecting the dots.

The world of transportation is going through changes! While this is not new information, the momentum is increasing. The United Nations global goal for sustainable development provides a far-reaching backdrop for all the key, world-wide issues and challenges that need to be addressed. Within this framework, there are points that are directly relevant to the consumers and users of mobility solutions, which, combined with their changing behaviour, bring direct implications to our customers and therefore to Motherson.

How we understand and react to the opportunities created by this is crucial in order to continue being a relevant and preferred solutions provider for our customers into the future.

There are many reports regarding the major industry trends and what is viewed by experts as the four most relevant focus areas encompassing the changes that are taking place. These are typically summarised as Autonomous, Connected, Electrified and Shared mobility.

For Motherson these focus areas are viewed as opportunities for us to introduce new innovative features and technologies that add value to the product segments in which we are active, or even to add new products to our existing portfolio, leveraging our broad base of expertise. We continually strive to improve the way we serve our customers by understanding their needs and pain points, which is key for us as we evolve the scope of our engagement activities. Group-level product and technology exhibition events and other forums directly at our customers' technology centres are important for this purpose. Such events are increasing in frequency and content and allow us to nurture the ongoing dialogue so that our customers have a chance to understand the full extent of our capabilities.

At the same time, with our wide customer portfolio and a global footprint supported by effective internal cooperation, we maintain a good understanding of the various industry segments, markets and the relevant technology trends. Motherson Innovations is able to operate as a networking team with extensive reach, connecting the dots across our Group verticals together with external partners and the customers. A very important aspect of this approach is the utilisation of new technologies that can either be developed organically, incorporating our own innovations or are accessible to us through strategic partners and start-up companies to deliver solutions for the future.

During the last fiscal year, Motherson Innovations has focussed in particular on the interiors business, taking forward the features from our 'Empathic Cockpit' concept that proved to be of the highest interest level while continuing to search for new opportunities and to enhance our understanding of the customers' needs. Key elements of the future Interior of 2025 and beyond, such as active surfaces, smart materials, ambience and comfort features plus intuitive user-interface technologies remain focus projects as we move forwards with our strategy.

"We continually strive to improve the way we serve our customers, by understanding their needs and pain points, ***which is key for us as we evolve the scope of our engagement activities."*** - Vaaman Sehgal

We have also been progressing well with understanding the market landscape and the roadmap towards wireless power transfer technology in the world of mobility, based on our collaboration with Ossia. The level of interest from customers has far exceeded our expectations, which is a clear confirmation that the momentum towards such technology is increasing.

The importance of intellectual property in relation to the work we are doing in the space of innovations and new technologies is well understood. During

Barrie Painter speaking on stage at the Startup Autobahn event in Stuttgart.

the last year, we have strongly improved our capabilities, and the intellectual-property services provided by Motherson Innovations to the Group have resulted in a tangible outcome of an increased number of new inventions and patent applications. Most notable from this is the widening spread of the sources from which invention can originate, which is certainly no longer perceived as an exclusive mandate for engineers.

*Motherson Innovations is able to operate as a networking team with an extensive reach, connecting **the dots across our Group verticals together with external partners and the customers.***

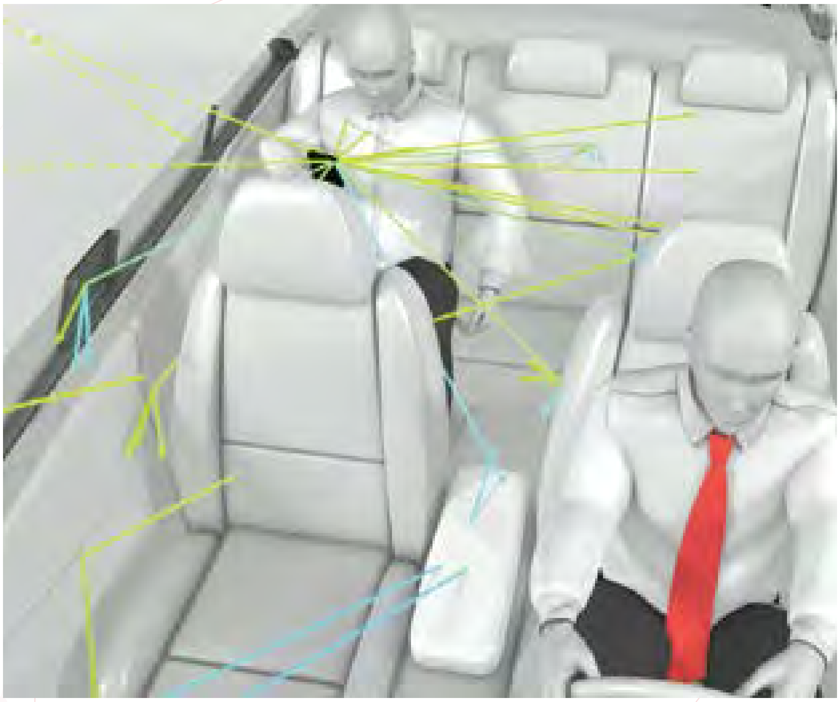
As part of this strategy, we joined the STARTUP AUTOBAHN Programme as an Anchor Partner at the beginning of 2019. This initiative was founded by Daimler together with Plug and Play, a start-up incubator company originating from Silicon Valley. In this forum, coordinated through Motherson Innovations, all of our Group companies gain direct access to many technology start-ups while at the same time having a clear understanding of the interest and potential for collaboration with key customers like Daimler and Porsche.

Working towards a future that will see the realisation of significant change requires us to employ new methods, tools and techniques that are not part of the traditional day-to-day processes of a tier 1 supplier. Defining the Minimum Viable

Motherson Innovations – building solutions for the future with wireless power and new driver interface systems.

Products and creating a Value Proposition Map are important steps in assessing the potential of new innovative solutions and technologies. In this fast-developing industry, we need to be agile in what we do with efficient evaluation and decision-making processes while maintaining a constant view of the needs of the consumers, our OEM customers and the competitive landscape.

Diversification of the business is also a key element of our strategy, supporting the work we are doing towards other industries such as medical, aerospace and defence, which might become a more significant part of the Group in the future. For example, Motherson Innovations Australia is progressing towards the realisation of medical and healthcare products, which includes "point of care" diagnostic devices on important subjects such as cancer detection together with the University of South Australia.



As Motherson grows, the scope for global interaction and cooperation also grows. With the Motherson Innovations objective to continually connect the Group and harness our collective strength, we are able to ensure that we serve our customers, help to create the future and are part of their success.

We are ready, but are certainly not waiting!

1. Rajan Batra
2014-till date:
CFO of SMR

2. Rajat Jain
2009 Vice President Purchasing **Today** Executive Vice President, Operations South Asia

3. Char Zawadzinski
2009 Vice-President of North America **Today** COO of SMR

4. Levente Tibori
2009 Engineering Manager **Today** Executive Vice President East Europe & Germany

5. Barrie Painter
2009 West Europe Sales Director **Today** EVP Global Sales and Marketing, and Business Development for SMRPBV.

10 year anniversary of the SMR Acquisition.


3
4
5

For this year's annual report, the focus is inorganic growth at MSSL. To get a better perspective on it, we look at the 10-year anniversary of the SMR acquisition, which happened in March 2009 – in the middle of the Lehman crisis.

The acquisition of the rearview-mirror business of Visiocorp, which was subsequently renamed SMR, is not just a great story of a bankrupt and dispirited company that turned into a vibrant and very successful firm; it was also the first major acquisition of MSSL. It changed the entire Motherson Group and became the blueprint of how future acquisitions would work. To get an insider's perspective, we spoke to five key people who were part of the entire journey and are still with MSSL today.

Visiocorp looks for a buyer

'It was late 2008 and Visiocorp was in crisis mode,' recalls Char Zawadzinski, then Vice-President of North America and current COO of SMR. 'The global economy was in peril, and the Lehman crisis was engulfing the world. Many parts of the company were bleeding money like there was no tomorrow. Visiocorp was looking for a buyer. At the end of 2008, there were rumours of a potential buyer from India.

"The global economy was in peril and the Lehman crisis was engulfing the world. ***Many parts of the company were bleeding money like there was no tomorrow."***

- Char Zawadzinski

'We were very surprised, because we expected a European or some other major player to take over, but we were very interested,' says Zawadzinski.

Barrie Painter, who was Global Customer Account Director at the time, remembers travelling with Chaand Sehgal, Pankaj Mital and G.N. Gauba to customers to seek their support for the acquisition. 'My role was to help Motherson take over the company,' Painter says. He felt he was quickly becoming more a part of Motherson.

Naturally OEMs would not commit to anything that would be anti-competitive, but they also did not want this business to disappear either. However, any help was conditional on all the major customers supporting it, and at first a few refused, so Motherson had to work to convince them. `In the end, we got that collective agreement.' Painter smiles. 'It was the deal of the century.'

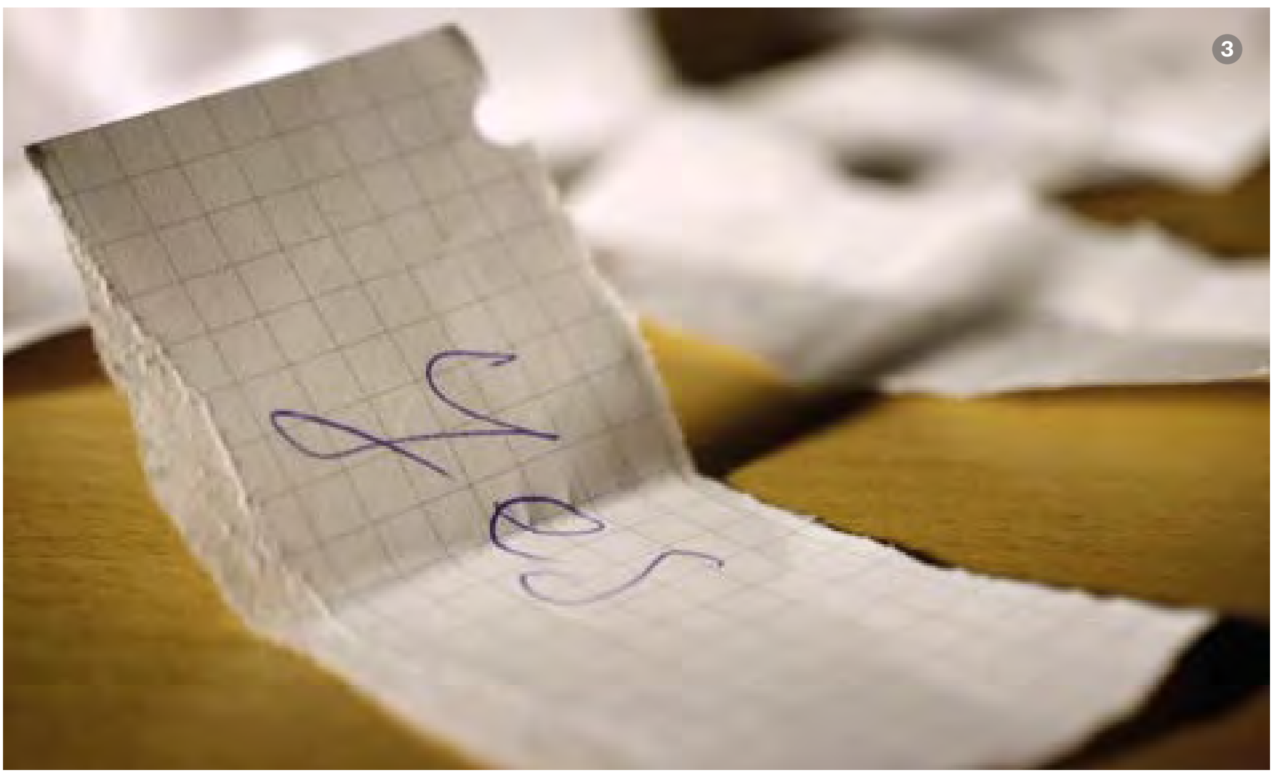
A second life

The various Visiocorp plants were not really integrated into one organisation. Each had to send its profits to the Visiocorp headquarters and had not been allowed to invest in Capex. As a result, local managers were unable to meet customer expectations, which caused frustration. The management was widely seen as incapable of fixing the issues.

'The existing management had long been focused on the short-term goal of getting the business sold,' says Rajat Jain who joined as Vice President of Purchasing and is Executive Vice President of Operations South Asia now. 'As a result, the management did not fit with the long-term view and customer loyalty of Motherson.' And so they were let go. A lot of other people were leaving as well. There was an exodus of people because of all the uncertainty surrounding the company.

Levente Tibori, who was an Engineering Manager in the Hungary plant, was very worried back then. 'We had our backs against the wall; we were facing a very difficult situation,' recalls Tibori.

'It was a good company with good people, good ideas and good technology,' says Zawadzinski. 'It had been mismanaged into total decline. So having someone like Motherson coming and telling us that there was a future for us, was very reassuring. That gratitude and loyalty is embedded into SMR. We were given a second



chance, and we could not waste it.'

'I remember suppliers had not been paid,' says Jain. 'At that time, Motherson was about the same size as Visiocorp, so the people there looked at Motherson with some suspicion.' It was obvious Visiocorp wondered if Motherson could fund the losses and support the cash flows, or if they could even manage a company the size of Visiocorp.

Building bonds with the new company

As it turned out, some at Motherson wondered the same.

'When we attended our first Motherson-wide Yearly Performance Review Meeting

1. SMR new plant in Brazil
2. Chariman and team revealing the new logo
3. Voting from the meeting to aquire Visiocorp

(YPRM) in 2009, we were to introduce this new company called SMR they just bought,' Painter recalls. People had their apprehensions. They thought that Motherson had overstretched itself. Zawadzinski adds, 'People were worried that the losses of SMR could wipe out the profitability of Motherson as a whole. That caused worry for some of our new colleagues and a feeling of, "My goodness, what have we done." They were not wrong. During the first few months, the SMR acquisition plunged the whole Motherson Group into a loss.'

'While I was presenting on stage, my voice was giving up probably due to the pressure of the previous months,' Painter says. 'After a late Friday night dinner, one of my now Motherson friends came to me and said, "I saw you were struggling with your voice. Relax, now you are a part of our family. You will be fine." That kind of welcome and warmth made us feel immediately adopted into Motherson.'

The legal requirements were such that the CEO was personally held liable to go to jail when you didn't have the necessary funds to run the company. Against that background, Laksh Vaaman Sehgal was made an interim CEO of the new company. He once joked that 'I guess my father thought, who better to go to jail than me?' It was a clear decision that the family was putting itself on the block.

'That conveyed a very strong and positive message,' says Jain. 'It meant that the success of the company was the success of the family. So everybody understood that Motherson really meant business.'

It also meant, the start of a new approach and a new management team. 'Vaaman was young,' says Painter. 'He was open to new ideas and believed in his team. We knew we all had to take our responsibilities and together make it happen.'

New management structure

'Mr. Chaand Sehgal called us in,' says Zawadzinski, 'He made us the second layer of management, the new top management. We asked ourselves, "What is that going to be like?" We knew this new role held a lot of responsibility. So we made the promise to ourselves that we were not going to make the same mistakes that the earlier management had made; we were not going to let our people down.'

According to Painter, the Chairman was keen on visiting every plant to explain his vision. That set the right atmosphere. People who now got the opportunity were the people who had a long-term commitment to the company.

Tibori remembers that visit well. The Chairman told him, 'Levente, don't worry, everything will come slowly. You just focus on the people.' Tibori says, 'This spirit brought in me the responsibility to act with my colleagues as a kind of responsible parent. It helped enormously.' Zawadzinski agrees. 'Moreover, we saw

how well organised the MSSL plants were; I mean the continuous improvements, the Motherson philosophy etcetera. These were the things that were going to help us to improve ourselves.'

Together with the new management, a team was formed with Vivek Chaand Sehgal, Laksh Vaaman Sehgal, Bimal Dhar and Andreas Heuser to turn the company around. 'The headquarter structure was removed,' says Jain. 'We looked at where the talent was for each role.'

Local people took a dual role, looking at their local plant as well as the global health of the company. It was a decentralised structure that gave a lot of confidence to the plants. It worked. The reporting structure was standardised for all the plants and became visible to everyone in the new management.

'Things became transparent,' says Jain. 'That brought people and the company together. We could now run the company with fewer, better, and passionate people with a real commitment to deliver.'

Operation Árpád in Hungary

'What was still an issue, was Hungary,' says Jain. 'Around 30 percent of all sales for SMR at that time came from Hungary,' Tibori adds. 'The plant was bleeding money. We were dragging down the others.'

Zawadzinski would go for three weeks to Hungary to help. Eventually it took approximately 18 months to stabilise the situation and launch a new plant in the process.

'Everyone was depressed,' Zawadzinski remembers. 'Nobody made eye contact. They were underestimated and lacked confidence. Due to operational challenges, they had no time for improving systems and building their competencies.' Motherson brought in support from other SMR entities. 'Colleagues from US, Australia, Mexico and India came and helped us. This was fantastic,' says Tibori.

To tackle the operational and moral issues, Operation Árpád was launched. Tibori remembers that Zawadzinski brought in a strict strategical and tactical deployment. It was called Operation Árpád, named after the first King of Hungary, the founder of the country.

'Calling it Árpád was very smart,' says Tibori. 'It created a sense of pride and motivation to take things into our own hands. The programme created clear strategic and tactical KPIs that we ourselves could influence. That gave us no chance to escape. The only way was forward and upward.'

Indeed, in 2012 SMR Hungary started to become profitable. In 2015 SMR Hungary received the award of being the Plant of the Year along with the QCDDMSES Award. Subsequently in 2016 and 2017, SMR Hungary was awarded Company of the Year. It was a great achievement for the team.

"Earlier, people were working in isolation for their particular unit, ***now, we all work together for the common goal of the entire company."***

- Rajan Batra

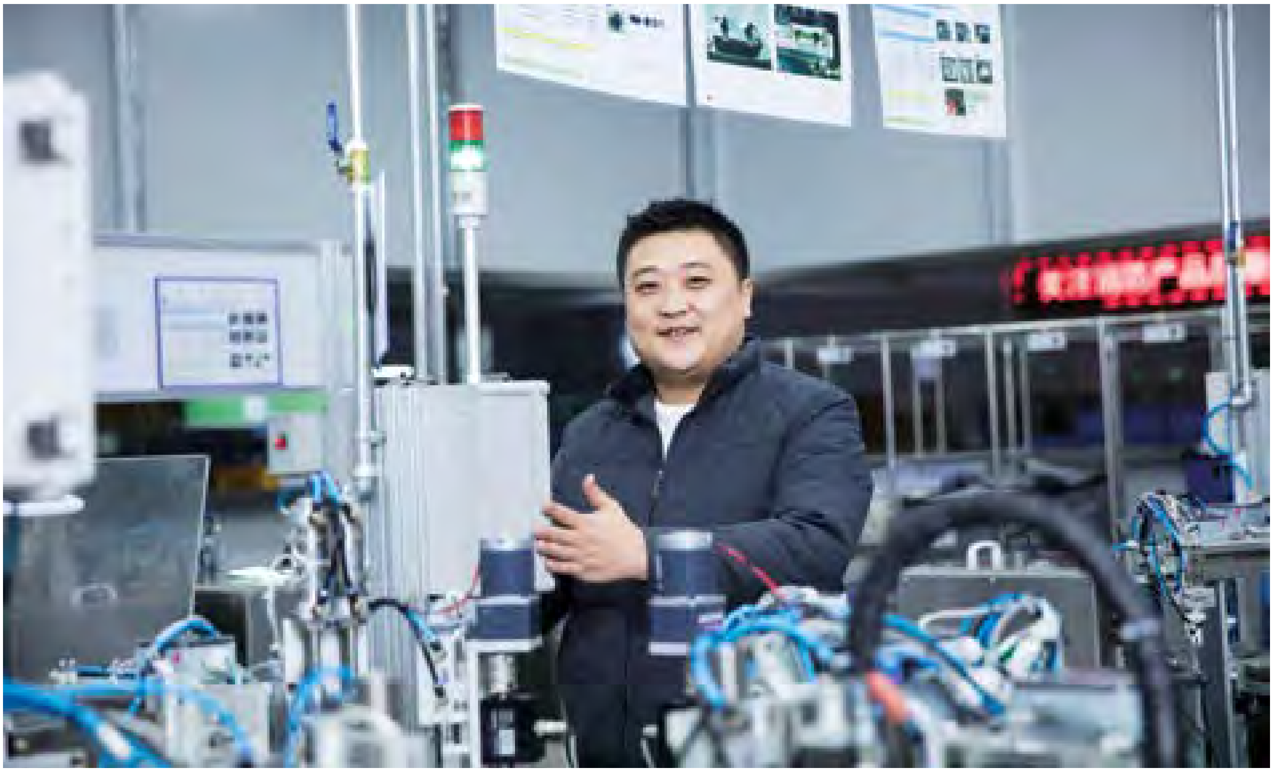
Regaining Customer Trust

At the time of the takeover, whenever sales people from Visiocorp were speaking to customers, they were dealing with risk-management teams. That was of course due to all the uncertainty and high debt levels that the company was in.

'All that changed when Motherson stepped in,' explains Painter, who had taken over leadership of global sales and marketing. 'We could tell them that we were in good shape; we now had a new long-term perspective and ownership that could be trusted, and we could now bid competitively for new business.' It was a great story to be able to sell.

Things started to change even more when SMR received huge new contracts from leading German OEMs. 'These were enormous projects for us,' says Tibori. 'They were so large that we needed to build a new plant in Hungary.' It was a milestone and a great achievement that changed the perception of the people at SMR.

SMR went from talking to risk managers to talking with construction companies, to expanding its operations. 'That brought a lot of feel-good,' says Jain. 'By the first quarter of 2009-10, we became EBITDA positive. That was a major, and unexpected achievement.'



'We started expanding our footprint and improving ROCE,' adds Zawadzinski. By 2012 when Vaaman stepped down as CEO, SMR was building new facilities in different parts of the world.

'I felt like a general contractor rather than COO,' he says, 'and we needed enormous horsepower to absorb that growth.' Every Euro that was earned was reinvested in SMR. 'It reflected the confidence that the leadership team had in SMR.' Since 2009, headcount grew twofold and revenues grew fourfold - to give a taste of the return on investments that were made, and in all five continents.

Given the fact that SMR was about the

size of Motherson, this had a substantial impact on the Group as a whole.

'In the 5-year plan of 2010-2015, SMR regained customer trust,' says Zawadzinski. 'We grew our top-line and ROCE. It was a continuous process of building capacities, improving efficiencies and optimising the cost of quality.' This strong foundation had an impact beyond SMR. 'Motherson brought trust, confidence and stability to SMR,' adds Painter. 'In that 5-year plan from 2010-2015, we wanted to grow to US $1bn in the top-line of SMR, and by 2013, we had reached it. The SMR turnaround caused a change of mindset and instilled tremendous belief in the future.'

'In the current 5-year plan, from 2015 onwards', explains Rajan Batra, who joined SMR as CFO in 2014, 'we have started bringing all improvement efforts together. We share best practices across units.' Every element of ROCE is targeted in a planned and organised manner through a structure where separate teams are dedicated to specific projects and are empowered to decide how best to achieve the target.

'Earlier, people were working in isolation for their own unit,' he says. 'Now, we all work together towards a common goal for the entire company. All this helped us to achieve 40% ROCE for the first time in 2015-16.'

Expansion and improvement

'What SMR brought to Motherson,' reflects Painter, 'was an internal, global engineering and development capability. Motherson became a full-service supplier. SMR launched power telescoping mirrors for the highly popular pickup trucks in the USA, and the camera-based blind-spot monitoring system and mirror based lighting solutions, effectively we launched a range of globally recognised industry firsts.'

Moreover, SMR has been able to increase its market share, with higher volumes, expand its footprint and add significant content and value per car. Today, approximately one in four passenger cars has one of its exterior mirrors on it. And the average price of a mirror has grown significantly.

'We have a strong focus on ROCE and cash in the bank', says Zawadzinski. 'We continue to grow in China and are actively investing in that market. We will diversify from our core product of passenger-car mirrors. The opportunities for that will come, and we are ready to capitalise on them. We wait for the right chances.'

"This spirit brought in me the responsibility to act with my colleagues as a ***kind of responsible parent. It helped enormously."***

- Levente Tibori

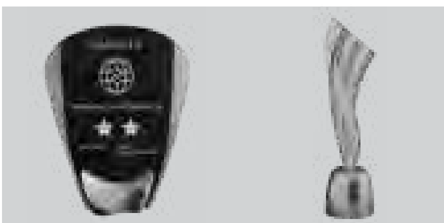
As Batra points out, the road does not end here. 'We are now able to sustain our ROCE levels even in tougher market conditions,' he says, 'We are bettering ourselves even further. As the growth in different regions stabilise, we will see further growth for SMR, for example through higher content and value per mirror. And we believe that this growth can be achieved while sustaining and improving our ROCE as well.'

'The growth of SMR and Motherson is unprecedented in the automotive industry,' says Tibori. 'It has made Motherson one of the most dynamic companies within the sector.' In the opinion of Jain, the success of the acquisition of SMR made the acquisition of SMP and subsequent large acquisitions possible. 'SMR was also a stepping stone,' he says, 'it changed everything.'

'We are now in a position where we can support other Group companies with their expansion around the world,' says Zawadzinski. 'We are very proud that this once-struggling company can now help others in the Group and repay the chance we were given in 2009. The future for us is promising.'

Awards and recognition.

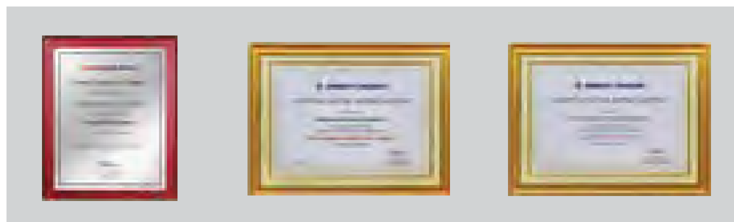
Daimler



Partners for Asia (Wiring Harness)

Excellence in Quality (Modules & Polymer)

Maruti Suzuki

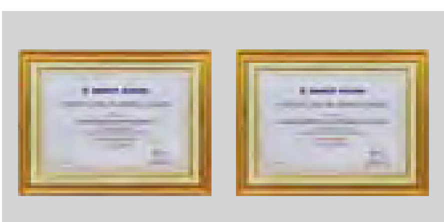


Overall Performance (Wiring Harness)

Part Development (Wiring Harness)

Tier 2 Vendor Development (Vision Systems)

Maruti Suzuki



Performance Award (Vision Systems)

Special Support (Modules & Polymer)

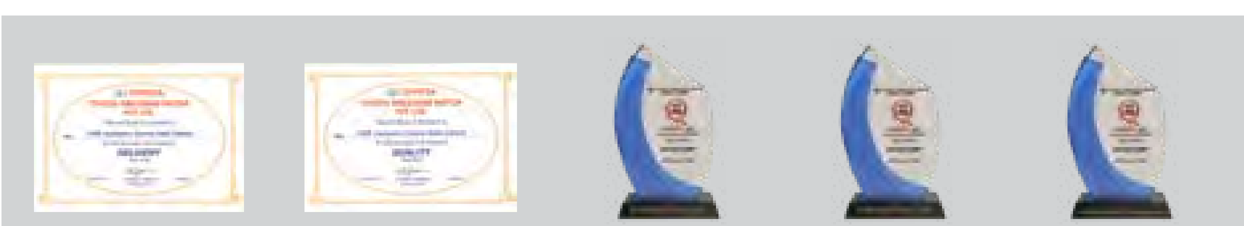
Toyota

Best Cost Performance (Wiring Harness)

Achieving Targets in Delivery (Wiring Harness)

Achieving Targets in Quality (Wiring Harness)

Toyota



Achieving Targets in Delivery (Vision Systems)

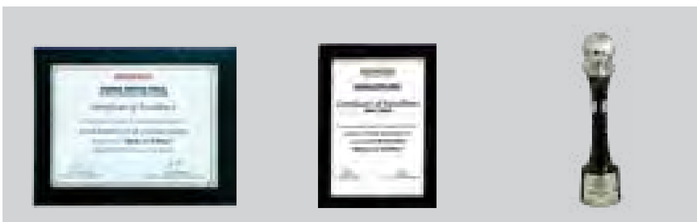
Achieving Targets in Quality (Vision Systems)

Zero PPM (Wiring Harness)

Zero PPM (Vision Systems)

Zero PPM (Modules & Polymer)

Honda Cars



Excellence in Spare Parts Quality, Cost & Delivery (Wiring Harness)

Excellence in Spare Parts Quality, Cost, Delivery (Vision Systems)

Environment Award (Modules & Polymer)

Renault

Best Contribution For New Product Development (Modules & Polymer)

Chery Jaguar Land Rover

JLRQ Award (Vision Systems)

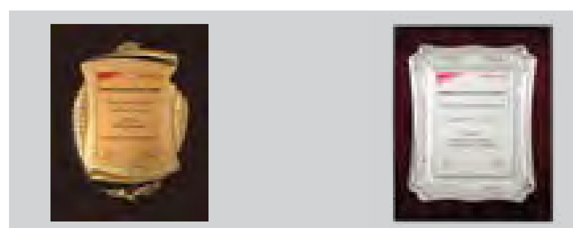
Nissan

Supplier Quality Award (Vision Systems)

Ford

Global Quality Excellence (Vision Systems)

Mahindra



Business Partner of the Year (Motherson Group)

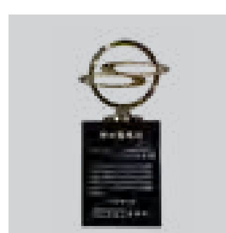
Best Product Development Performance (Modules & Polymer)

Hyundai

Overall Best Performance Award (Wiring Harness)

Best Performer Award (Vision Systems)

SsangYong Motor's



Supplier of the Year (Vision Systems)

Navistar

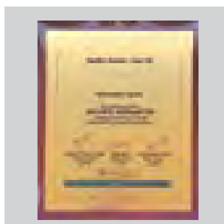
Diamond Supplier of the Year (Wiring Harness)

Awards and recognition.

Volvo Eicher

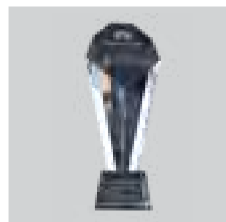
New Product Development (Wiring Harness)

Ashok Leyland



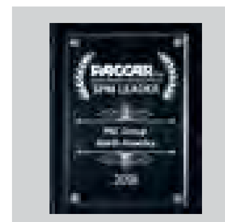
Best in Class Performance in Quality, Cost & Delivery (Wiring Harness)

Tata Motors



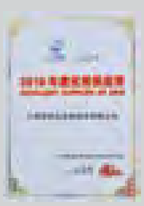
Quality Excellence Award (Wiring Harness)

Paccar



SPM Leader & Achiever Award (Wiring Harness)

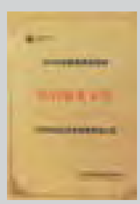
SAIC Maxus



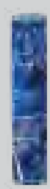
Excellent Supplier (Wiring Harness)

Quality Contribution Award (Wiring Harness)

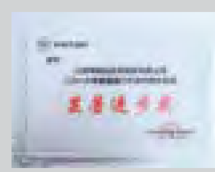
Foton Group



Excellent Supplier (Wiring Harness)

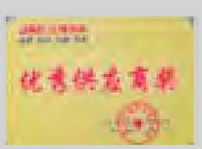


Gold Award After-Sale Services (Wiring Harness)

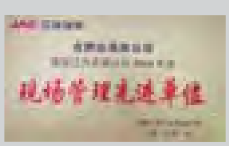


Significant Progress Award (Wiring Harness)

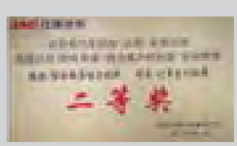
JAC Group



Excellent Supplier Award (Wiring Harness)



Advanced Field Management Award (Wiring Harness)

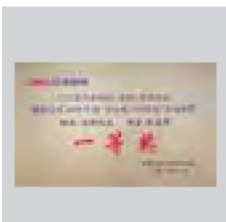


Order Delivery Guarantee Award (Wiring Harness)

Launch ContributionAward (Wiring Harness)

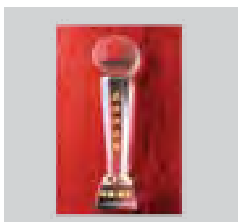
Cooperation with JAC to Win Award (Wiring Harness)

JAC Group



Brand upwards
Matching rate Award
(Wiring Harness)

DFM Group



Best Supplier Award
(Wiring Harness)

Best Supplier Award
(Wiring Harness)

Motor Coach Industries

Supplier Performance
(Wiring Harness)

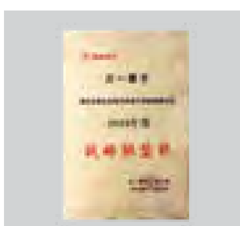
Yamaha

Excellence Award
for Quality
(Wiring Harness)

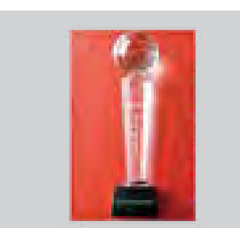
Suzuki Motorcycles

Consistent Quality
Performance Award
(Wiring Harness)

SANY Group



Strategic Alliance Award
(Wiring Harness)

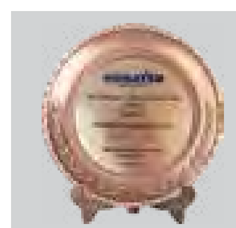


Best Supplier Award
(Wiring Harness)

Tata Hitachi

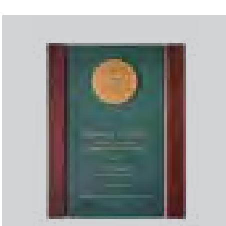
Sustained
Performance on Quality
(Wiring Harness)

Komatsu



Best Performance
in Delivery
(Wiring Harness)

John Deere

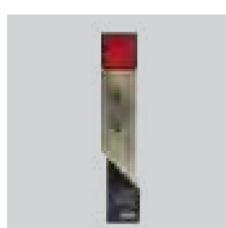


Achieving Excellence in
Partner Level Performance
(Wiring Harness)

Caterpillar

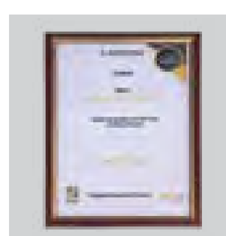
Best "APQP Development"
Performance Award
(Wiring Harness)

CNH Industrial



Supplier Excellence Award
(Wiring Harness)

Hyster Yale



Certificate of Merit
Quality & On-Time Delivery
(Wiring Harness)

Asahi India

Zero Defect
(Wiring Harness)

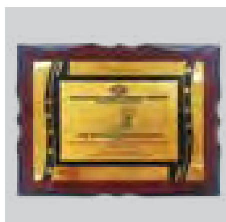
Awards and recognition.

Institutional Awards.

SPE Automotive

SPE Innovation Award
(Modules & Polymer)

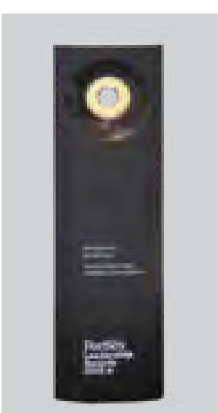
INSSAN



Excellence Award
(Vision Systems)

Special Achievement.

Forbes Leadership Awards



Entrepreneur of the Year

Mr. Vivek Chaand Sehgal, Chairman of the Samvardhana Motherson Group was adjudged 'Entrepreneur for the Year 2018' at The Forbes India Leadership Awards held in Mumbai, India.

The award has been bestowed on Mr. Sehgal for his exemplary leadership and the Group's performance in the challenging economic conditions over the past year.

ET Auto Awards

Global Indian of the Year

Mr. Vivek Chaand Sehgal, Chairman of the Samvardhana Motherson Group, received the ETAuto Global Indian of the Year Award at the ETAuto Global Auto Business Summit 2018.

The award was presented to Mr. Sehgal by Mr. R. C. Bhargava, Chairman, Maruti Suzuki, and Mr. Nabeel A Khan, Editor, ETAuto, in recognition of his contribution in taking Samvardhana Motherson Group to new heights.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Indian Automotive Industry

The Indian automotive industry is one of the largest in the world. The sector includes passenger vehicles, commercial vehicles, three wheelers, two wheelers and quadricycles. The overall automobile sales crossed 30.9 million units for the first time in April-March 2019 as against 29 million in April-March 2018, registering a growth of 6.3% over the same period last year.

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

Figures in thousand

Category	2016-17	2017-18	2018-19
Passenger Vehicles	3,802	4,020	4,026
Growth%	10%	6%	0%
Commercial Vehicles	810	895	1,112
Growth%	3%	11%	24%
Three Wheelers	783	1,022	1,269
Growth%	-16%	31%	24%
Two Wheelers	19,934	23,155	24,503
Growth%	6%	16%	6%
Quadricycle	2	2	5
Growth%	-	8%	215%
Grand Total	**25,331**	**29,094**	**30,915**

Source: SIAM Report

For FY 2018-19, overall passenger vehicle production grew marginally by 0.1 per cent with utility vehicles and vans clocking a growth of 0.5 per cent and 20.6 per cent.

The overall commercial vehicles segment registered a growth of 24 per cent in April to March 2019 as compared to the same period of last year. Medium and heavy commercial vehicles increased by 28.91 per cent and light commercial vehicles by 21.26 per cent.

Three wheelers production increased by 24.17 per cent with passenger carrier registering a growth of 25.99 per cent and goods carrier at 10.49 per cent.

Two wheelers production registered a growth at 5.82 per with motorcycles and mopeds grew by 8.8 per cent and 4.1 per cent.

Automobile exports out of India grew by 14.5 per cent. While passenger vehicles exports declined by 9.64 per cent, commercial vehicles, three wheelers and two wheelers registered a growth of 3.17 per cent, 49 per cent and 16.55 per cent respectively.

Overall the first half saw the sector motoring along well with many new launches in the market which contributed heavily to the growth of passenger vehicles. Mostly all segments reported strong double digit growth.

However, sales failed to rise up during the second half of the year which saw strong headwinds pummeling the sales across the various segments across the automotive market while the sales in the first half of FY 18-19 was positive with 13% of growth. Overall, the year 2018-19 turned out to be a mixed bag for this sector due to which the market remained largely volatile.

OVERVIEW OF GLOBAL AUTOMOTIVE INDUSTRY

The global automotive market has been hugely impacted by technology, the environment, policies by different government and the uncertain political landscape of certain countries. Till last financial year growth was strong in China which saw stagnation this year. In the US, rising interest rates have had a negative impact on the automotive industry as buying cars on credit became more expensive.

During financial year 2018-19, global sales in new vehicles exceeded 92 million. The overall global vehicle production saw a decline of 2.5 percent in 2018-19. While Europe saw a slight decline to 21.6 million in 2018-19 from 22.2 million in 2017-18 due to introduction and enforcement of new norms like WLTP (Worldwide Harmonised Light-Duty Vehicle Test Procedure), the production in Americas remained almost constant.

Below table shows the vehicle production in last two years:-

Vehicle Production: Region (in units)	2017-18	2018-19
Europe	22,249,408	21,663,997
North America	16,915,672	16,917,539
South America	3,375,596	3,375,694
Asia (including India)	52,580,035	50,784,344
Total	**95,120,711**	**92,741,574**

Source: IHS

The global sales of passenger cars has decreased by 3% in 2018-19. During the year India showed a marginal growth of 3% while growth in Europe & America's remained stagnant.

MSSL's subsidiary SMRPBV is a leading global automotive specialist. Its product portfolio ranges from being one of the largest manufacturers of rearview mirrors for passenger cars in the world to being a leading specialist for automotive exterior and interior polymer modules to the global passenger vehicle industry.

GLOBAL COMMERCIAL VEHICLES MARKET

Global commercial vehicles market showed a marginal growth of 3% during FY 2018-19 as comparable to FY 2017-18.

North America, Brazil & Europe performed well with 5%, 12% and 3% growth. While China faced a slowdown of 9% as comparable to previous year.

North American truck market was strong throughout the year and production of heavy trucks increased by 22% year on year basis.

Economic growth in Europe continued and demand for heavy trucks increased moderately, 4% year on year growth. Brazilian market gained good momentum and heavy truck production increased substantially, 13% year on year growth.

Demand in APAC slowed down significantly during the year due to lowered growth rate in China and increased uncertainty & tariffs on US trade.

Below table shows production of commercial vehicle in different economies during FY 2017-18 & 2018-19.

Production Units	April - Mar		
	2017-18	2018-19	Growth %
North America			
Heavy Duty Trucks	278,398	340,433	22.3%
Medium Duty Trucks	261,178	283,816	8.7%
Light Vehicles (Pick-up & SUV)	10,331,018	10,745,878	4.0%
Europe			
Heavy Duty Trucks	412,558	427,928	3.7%
Medium Duty Trucks	74,103	73,616	-0.7%
Brazil			
Heavy Duty Trucks	63,572	71,975	13.2%
Medium Duty Trucks	25,888	28,267	9.2%
China			
Heavy Duty Trucks	1,178,002	1,128,987	-4.2%
Medium Duty Trucks	235,708	164,794	-30.1%
Grand Total	**12,860,425**	**13,265,694**	**3.2%**

Source: LMC Automotive March 2019

MSSL's subsidiary PKC Group is a leading player engaged in designing, manufacturing and integrating electrical distribution systems, electronics and related components for commercial vehicles in Europe and America.

PERFORMANCE - 2018-19

MSSL combines the power of innovation and product quality to passionately create world class products catering to customer needs across diverse industries, especially automotive.

The Company has a diversified industry- leading portfolio of auto ancillary products and services that make it a full system solutions provider for its customers across the globe. MSSL has market leading products both domestically and globally ranging from Electrical Distribution Systems, automotive rearview mirrors, polymer modules and certain other components.

Fiscal Year 2018-19 was the fourth year of MSSL's fifth 5 Year Plan, called Vision 2020. During the year,the Company has shown good performance in all aspects.

CHANGE IN ACCOUNTING: STANDARD Ind AS 115

During the period ended March 31, 2019, Ind AS 115 – Revenue from Contracts with Customers became applicable on the Group. The management has conducted detailed analysis on the implications of implementation of new standard on the revenue. The Group builds all customized products for its customers. In certain contracts, the Group is undertaking higher level assembly's functions of components wherein whole/ substantial components are procured from suppliers nominated by customer without taking over any risks on the Company itself. Such a situation has been defined in standard as the Group acting as an agent, and requires recognition of revenues excluding the value of such components.

In view of implementation of new standard, only service fees involved in such contracts where the company has limited risks has been recognized as revenue by netting the cost of such components from raw material consumption as well as from sales as against earlier practice of full value to be included in Revenue.

The new standard has been applied from April 01, 2018. The Group has adopted modified retrospective approach and hence comparative figures have not been reinstated. Therefore, certain line items like revenue, cost of materials etc. are not comparable with the corresponding previous period. This change does not impact profits before and after tax.

This change in presentation resulted in decrease in consolidated revenue by ₹ 54,046 million for the fiscal year ended March 31, 2019.

The Company's main achievements for FY 2018-19 are summarized as follows:

Highlights of consolidated results:

- During the FY 2018-19 the Company reported consolidated revenues of ₹ 625,716 million (US$ 9.1 billion) against ₹ 558,580 million for FY 2017-18 with a growth of 12%. However excluding the impact of Ind AS 115 the consolidated revenue for FY 2018-19 is ₹ 679,762 million, 22% growth of from previous year.
- Operational Earnings Before Interest Tax and Depreciation (EBITDA) registered an increase of 5% on consolidated basis from ₹ 51,570 million to ₹ 53,973 million. Profit after tax (PAT) improved by 1% on consolidated level.
- The Company reported ROCE of 15% at a consolidated level in 2018-19. ROCE for the year takes into account the acquisition of SMRC group for eight months as well as investments made during the year on new large plants of SMP, potential of which is yet to be captured.
- The Company has proposed dividend of 1.5 per equity share for the financial year ended March 31, 2019 representing a dividend payout ratio including taxes of 35% of the consolidated profit after tax against our stated policy of 40% payout.

The Company's subsidiary SMRPBV completed the acquisition of Reydel on August 2, 2018 and results of the acquired entity consolidated for 8 whole months in MSSL consolidated financials for FY 2018-19. With this acquisition the Company has expanded its footprints in 5 new geographies which are Croatia, Indonesia, Philippines, Morocco and Argentina.

Highlights of Standalone results:

- During the FY 2018-19 the standalone sales showed a growth of 1% at ₹ 73,959 million against ₹ 73,084 million for FY 2017-18. Without Ind AS adjustment, standalone revenue for FY 2018-19 is ₹ 77,583 with a growth of 6%.
- Export business grew by 18% from 8,402 million to ₹ 9,878 million at standalone level, while domestic business is in line with previous year.
- The Company reported return on capital employed (ROCE) of 42% at standalone level.

Highlights of SMRPBV results:

- SMRPBV successfully completed acquisition of Reydel Automotive Group (renamed as SMRC) on August 02, 2018 by paying purchase consideration of USD 105 Million (net of cash acquired USD 96 million).
- Recorded revenue of Euro 5,278 million in FY 18-19 which represents growth of 5% over corresponding previous year.
- SMR reported sales of Euro 1,604 million against Euro 1,575 in previous year with growth of 2%. EBITDA was at Euro 182 million.
- SMR reported a strong ROCE of 45%.
- SMP (including SMRC) achieved annual sales of Euro 3,677 million. EBITDA was Euro 158 million.
- SMRPBV has a total order book of ₹ 147,263 crore (Euro 18.2 billion) as on March 31, 2019. During the year SMRPBV has won additional orders of ₹ 45,312 crore (Euro 5.6 billion).

Highlights of PKC results:

- PKC achieved all time high annual revenue of Euro 1.2 Billion with 13% growth in comparison to previous year.
- The Company achieved EBITDA of Euro 105 million during FY 2018-19 against Euro 72 million of FY 2017-18.
- PKC group achieved a ROCE of 22%.
- During the year the Company repaid Euro 97 million High Yield Bond (4.25%) which helped in reduction in Interest costs.

Other major developments during the year:

➢ **Acquisitions**

❖ **Completion of acquisition of Reydel Group**

On August 02, 2018, the Company through its subsidiary SMRPBV completed the acquisition of Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V. (now renamed as SMRC) for a purchase price of USD 201 million along with cash acquired amounting USD 96 million.

SMRC has presence in 16 countries with 20 facilities and more than 5,650 employees and has strong portfolio in automotive interior modules that includes Instrument Panels, Door Panels, Console Modules, Decorative Parts and Cockpit Modules.

This acquisition has enable SMRPBV Group to capitalize on new opportunities in its existing and new geographies, with enhanced and diversified customer portfolio.

Reydel's revenue for the year ended December 31, 2017 was USD 1,048 million and EBITDA was USD 68 million (in accordance with US GAAP).

❖ **Acquisition of Bombardier's UK rolling stock electrical component and systems business**

On February 28, 2019, the Company announced acquisition of Bombardier's UK rolling stock electrical component and systems business through a wholly owned subsidiary of PKC.

The Company has signed a definitive agreement with Bombardier UK to acquire Bombardier's assets in connection with the production and installation of electrical components and systems for applications in the rail industry, comprising among others the manufacturing of wiring harnesses, panel and cabinet build and electromechanical assemblies in Derby, UK. The estimated price of this transaction will be approx. GBP 10.87 Million.

The revenue of said business was GBP 36 million (provisional) during calendar year ended December 31, 2018. The transaction has been completed in the month of April 2019.

➢ **Significant financing arrangements**

❖ **Term loan facility at SMRPBV**

During the year, SMRPBV entered into a new term loan facility agreement for US$ 60 million for a period of 59 months maturing in August 2023. This loan was utilised to partly fund the long-term requirements of the Group due to investment in Greenfields viz. Kecskemet and Tuscaloosa. The term loans are guaranteed jointly and severally by SMRP BV and certain of its subsidiaries as well as secured by pledge over assets of SMRP BV and certain of its subsidiaries and also by pledge over shares of certain of SMRP BV's subsidiaries.

❖ **Repayment of 4.25% Senior Unsecured Bond at PKC**

During September 2018, the Company made the repayment of Senior Unsecured Bonds amounting Euro 97 million.

The repayment was refinanced through funding arrangement done at MSSL GB Limited which is parent of PKC group through MSSL EstoniaWH OÜ.

REVENUE

The Company's consolidated revenues reached to ₹ 625,716 million (USD 9.1 billion) during the year, up from USD 8.6 billion in FY 2017-18.

Geographical Spread

The Company's consolidated sales grew by 12% to ₹ 625,716 million, with 88% 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.

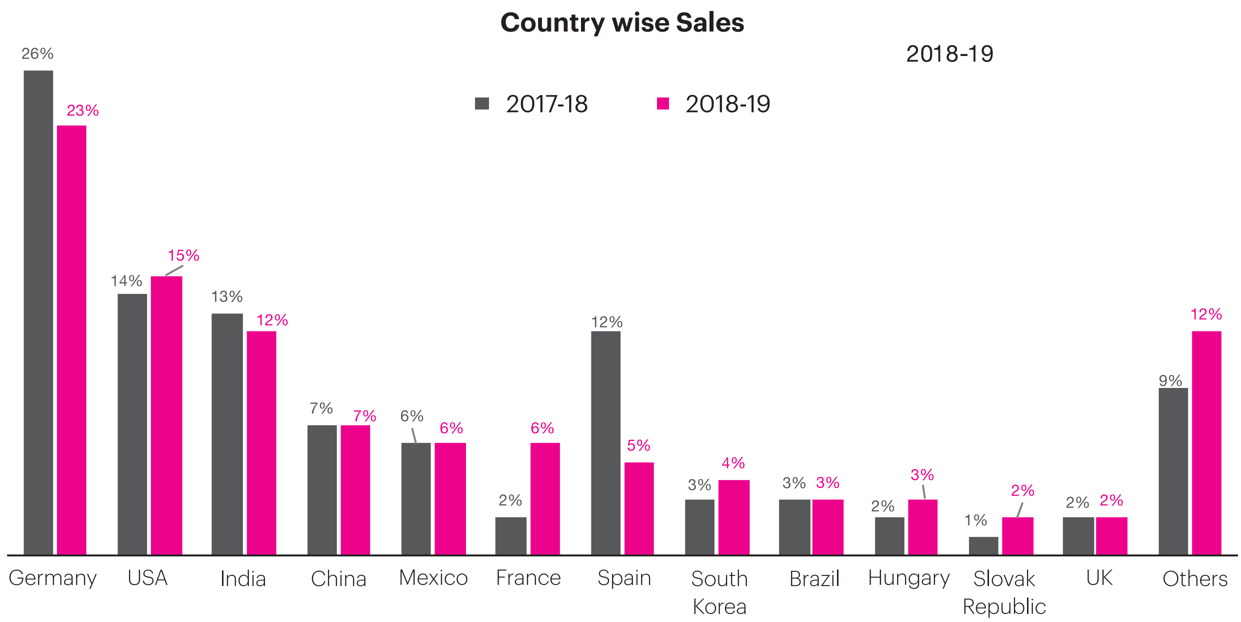
However excluding the impact of change in accounting policy due to application of Ind AS 115, the revenues for the year ended March 31, 2019 were ₹ 679,762 million which are higher than the revenue for the corresponding previous year ended March 31, 2018 at ₹ 558,580 million. This represents growth of approximately 22% over corresponding previous year.

Table below shows consolidated sales performance of the Company within India and outside India in 2018-19:

₹ in Million

Consolidated	2017-18		2018-19		Growth %
	%	Amount	%	Amount	
Customers outside India	87%	487,532	88%	551,442	13%
Customers within India	13%	71,048	12%	74,274	5%
Total	100%	558,580	100%	625,716	12%

The below chart shows the consolidated revenue breakdown by geography for fiscal year ended March 31, 2019 and March 31, 2018.



Driving force behind this growth of MSSL is its 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.

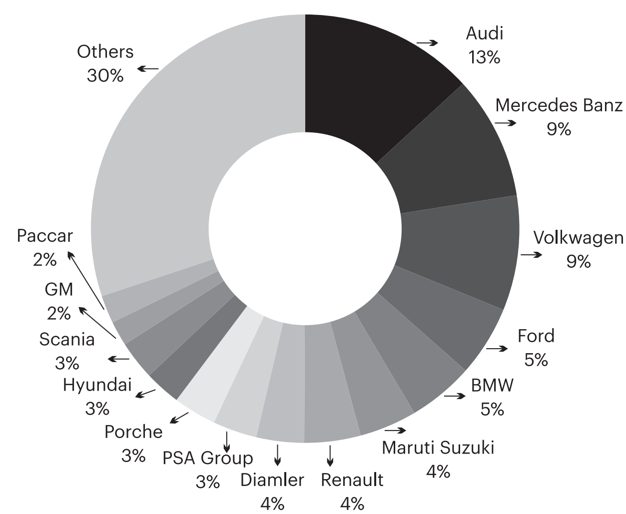
At present the Company has presence in 41 countries with over 230 facilities, supported by technical centers located worldwide.

The acquisition of Reydel Group has further added 5 more countries to the geographical footprint of the Company.

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, 2019



The Company constantly monitors its vision of “3CX15”, which means no Component, Customer or Country to represenmore than 15% of the turnover. The above graph aptly demonstrates the dependence on each customer. The largest customer is now 13%.

With SMRC acquisition and launch and ramp-up of Kecskemet & Tuscaloosa plants for new orders received, customer profile is getting more balanced going forward.

Others include customers contributing to less than 2% of total sales and among others include Tesla, 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.

(A) Consolidated financial results:

The Company's consolidated financial results are summarized in the Table below.

During the year, the Company through one of its step down subsidiary, Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) acquired 100% stake in Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V. (jointly Reydel Automotive Group).

The Company achieved consolidated sales of ₹ 625,716 million during the year, which includes sale of newly acquired company for eight months amounting ₹ 50,615 million.

₹ in Million

Results	2017-18	2018-19
Sales	560,860	625,716
Excise duty	2,280	0
Cost of goods sold	343,121	367,383
Employee cost	110,678	141,694
Other expenses	57,908	72,668
EBITDA	52,927	55,686
PBT	34,448	32,003
PAT (concern share)	15,970	16,131
Earnings per share	**5.06**	**5.11**

During 2018-19, Profit before Interest, Depreciation and Tax increased by 5% to ₹ 55,686 million from ₹ 52,927 million. In FY 2018-19, SMRC is consolidated for the first time and has positive profitability.

Profit after Tax (PAT) concern share improved by 1% to ₹ 16,131 million as against ₹ 15,970 million in FY2017-18.

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.

- 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, 2019, the cost of material was ₹ 367,383 million against ₹ 343,121 million for the corresponding previous financial year ended March 31, 2018, which is 59% & 61% of total revenue respectively for both the years. Cost of material increased by 7% corresponding to increase in sales by 12%. 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 28% in 2018-19 which was 23% of total revenue for the year. Excluding impact of Ind AS 115 employee cost is 21% of revenue as comparable to 20% during previous year. These increases were primarily due to increased capacity and production level, ramp up of production in new facilities, and headcount increase at new Greenfield plants.

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 25% 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.

(B) Consolidated financial position:

₹ in Million

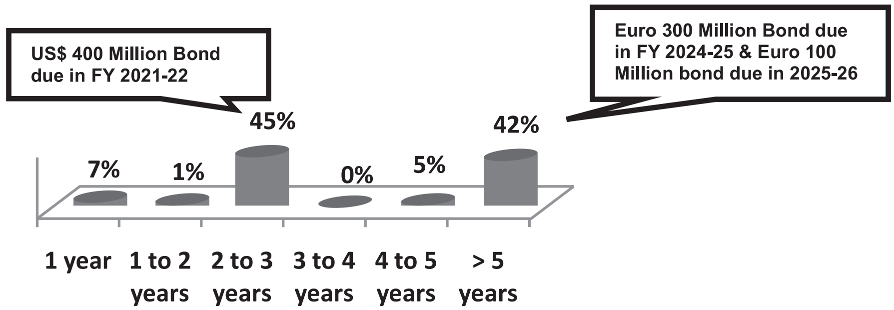
Financial Position	2017-18	2018-19	% change
Property, plant and equipment	101,365	140,539	38.6%
Capital work-in-progress	25,849	10,463	-59.5%
Investment properties	1,313	1,304	-0.7%
Goodwill	22,643	22,118	-2.3%
Other intangible assets	21,802	20,471	-6.1%
Other assets			
- Inventory	40,132	46,634	16.2%
- Trade receivables	65,701	73,292	11.6%
- Cash & bank balance	27,815	35,469	27.5%
- Other assets	68,357	83,012	21.4%
Total assets	**374,977**	**433,302**	**15.6%**
Liabilities (other than loans)	142,800	173,536	21.5%
Net assets	**232,177**	**259,766**	**11.9%**
Source of funding:			
Net worth	95,923	106,215	10.7%
Reserve on amalgamation and consolidation	2,918	3,412	16.9%
Non-controlling interests	29,600	34,797	17.6%
Loans outstanding:			
- Payable within one year	8,967	5,914	-34.0%
- Short-term loans	19,068	28,433	49.1%
- Long-term loans	75,701	80,995	7.0%
Total loans	**103,736**	**115,342**	**11.2%**
Cash & bank balance (excluding unpaid dividend)	27,783	35,425	27.5%
Loans (net of cash and bank balances)	**75,953**	**79,917**	**5.2%**
Capital expenditure (Net of disposals)	30,308	26,853	-11.4%

During the year, The Company as a whole incurred capital expenditure of ₹ 26,853 million (Previous Year ₹ 30,308 million). The Company's net debt was ₹ 79,917 million as on March 31, 2019, up from ₹ 75,953 million as on March 31, 2018.

The Company is able to generate strong free cash flows and hadcash and bank balance of ₹ 35,425 million included the cash and bank balance at SMRP BV& PKC amounting Euro 311 million and Euro 86 million respectively as on March 31, 2019.

The increase in net debt is mainly due to increased operating requirements including capital expenditure for new facilities.

Company's long term debt maturity profile as at March 31, 2019 is as follow:-



(C) Ratio Analysis:

Key Ratios	2017-18	2018-19
Debtor Turnover (days)	33	34
Inventory Turnover (days)	23	25
Interest Coverage Ratio	13.22	13.87
Current ratio	1.36	1.29
Debt Equity Ratio	0.81	0.80
Operating Profit Margin	6.9%	5.8%
Net profit Margin	2.9%	2.6%
Net Debt to EBITDA	1.40	1.36

Key indicators are mentioned at the end of MANAGEMENT DISCUSSIONS AND ANALYSIS.

None of the key ratios have significant variation (>25%) compare to previous year

REVIEW OF STANDALONE FINANCIALS

Standalone sales grew marginally by 1% to ₹ 73,959 million (excluding Ind AS 115 impact sale increases in Standalone business is 6% to ₹ 77,583 million). Currently 13% of the standalone sales originate from outside of India as shown by below table.

₹ in Million

Standalone	2017-18		2018-19		Growth %
	%	Amount	%	Amount	
Customers outside India	11%	8,402	13%	9,878	18%
Customers within India	89%	64,682	87%	64,081	-1%
Total	**100%**	**73,084**	**100%**	**73,959**	**1%**

(A) Standalone financial results:

₹ in Million

Results	2017-18	2018-19
Sales	75,196	73,959
Excise duty	2,112	0
Cost of goods sold	40,987	42,099

₹ in Million

Results	2017-18	2018-19
Employee cost	10,619	11,785
Other expenses	9,636	9,201
EBITDA	14,723	14,593
PBT	12,107	12,224
PAT (concern share)	8,791	8,138
Earnings per share	**2.78**	**2.58**

During the year, the Company's standalone revenues increased slightly by 1% to ₹ 73,959 million. PBT amounted to ₹ 12,224 million compared to ₹ 12,107 million in previous year.

(B) Standalone financial position:

₹ in Million

Financial Position	2017-18	2018-19	% change
Property, plant and equipment	14,644	17,087	16.7%
Capital work-in-progress	922	907	-1.6%
Investment properties	822	872	6.1%
Other intangible assets	4	0	-99.4%
Other assets			
- Inventory	9,242	10,551	14.2%
- Trade receivables	9,250	8,090	-12.5%
- Cash & bank balance	1,054	1,382	31.1%
- Other assets	52,158	51,543	-1.2%
Total assets	**88,096**	**90,432**	**2.7%**
Liabilities (other than loans)	14,747	14,694	-0.4%
Net assets	**73,349**	**75,738**	**3.3%**
Source of funding:			
Net worth	60,139	62,718	4.3%
Reserve on amalgamation and consolidation	1,663	1,663	0.0%
Loans outstanding:			
- Payable within one year	504	18	-96.4%
- Short-term loans	16	2	-88.3%
- Long-term loans	11,027	11,337	2.8%
Total loans	**11,547**	**11,357**	**-1.6%**
Cash & bank balance (excluding unpaid dividend)	1,022	1,338	31.0%
Loans (net of cash and bank balances)	**10,525**	**10,019**	**-4.8%**
Capital expenditure (Net of disposals)	3,040	3,976	30.8%

During the year, the Company incurred capital expenditures of ₹ 3,976 million on expansion of existing facilitates in Pithampur, Sanand and Noida for wiring harness and new facility in Pithampur for wire business.

(C) Ratio Analysis:

Key Ratios	2017-18	2018-19
Debtor Turnover (days)	43	42
Inventory Turnover (days)	40	48
Current ratio	1.66	1.72
Debt Equity Ratio	0.19	0.18
Operating Profit Margin	17.2%	16.8%
Net profit Margin	12.0%	11.0%
Net Debt to EBITDA	0.71	0.69

Key indicators are mentioned at the end of MANAGEMENT DISCUSSIONS AND ANALYSIS.

None of the key ratios have significant variation (>25%) compare to previous year

CAPITAL EXPENDITURE

The Company is one of the world's fastest growing specialized automotive component manufacturing companies for OEMs. Its growth strategy includes expanding operations in line with customers' growth and sales order book. The Company continuously assesses the need for setting up greenfield plants or expanding capacity in existing plants to cater to new platforms with existing/new customers.

During the year, the Company incurred ₹ 26,853 million on capital expenditure at the consolidated level, which has been largely financed from borrowings and internal accruals within the group.

The Company is also focused on improving the cost base by enhancing the vertical integration of the manufacturing operations. Capital expenditure is also incurred to upgrade or replace key machineries utilized in manufacturing & assembly process to increase production efficiencies driven by health and safety, fire protection and upgradation requirements of manufacturing facilities.

The establishment period for new manufacturing facilities typically ranges between 12 and 24 months. Such capital expenditure primarily relates to the building of new manufacturing plants or increasing the capacities in existing plants in response to new orders from our customers.

33 new plants has been set up by the Company in last 4 years to create capacities for the orders given by the customers in USA, Hungary, Mexico, Spain, Germany, China, South Korea, Thailand and India.

The Company is focused on utilizing its global capabilities in order to achieve new dimensions in terms of growth with optimal capital outlays.

SMRP BV is in expansion process of its manufacturing capacities and global presence in both SMR and SMP. SMRP BV incurred capital expenditure of Euro 255 million during year ended March 31, 2019. Out of which approximately 40% of capital expenditure of Euro 102 million was incurred on new facilities/expansion of existing facilities.

The status of capacity expansions is as follows:

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

- Greenfield plant at Tuscaloosa, Alabama in USA. The plant is being set up for manufacturing of bumpers, door panels, spoilers and other exterior parts. Construction of this facility completed in June 2018. The plant has begun operations during Q3 FY 2018-19.

Major start-up cost for new plants and facilities of SMP under construction was completed till first quarter of FY 2018-19. These costs charged to P/L account prior to start of commercial production was amounted to € 35 million for FY2018-19 (€ 62 million for FY2017-18).

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

- SMR has invested for expanding paint shop capacities at its Mosonszolnok facility in Hungary to support increasing volumes from customer for orders already booked and to further strengthen and improve excellence and efficiency levels of quality products supplied. This new fully automated robotic paint shop has been installed with offline programming cell, heat recovery system and 3 layer paint capacity of 150,000 pcs/week. This facility is supplying to all OEMs present in European region. The paint shop has started commercial production during Q4 2018-19.
- SMR is setting up a new state of art facility at Chennai, India for expanding its production capacity and consolidating the existing operations in that region. The new facility is planned to be equipped with fully automated robotic paint shop and all key processes integrated in-house including injection moulding. The Company has also planned to make significant investments in setting up manufacturing facility for latest generation Glass Actuator to support the growing needs of Indian market. This new facility will be operational from FY 2019-20.

C. The Company incurred CAPEX of ₹ 3,976 million at standalone level, which includes:

a) Wiring Harness Division has initiated construction of second green field plant in Pithampur, Indore. Commercial production started in FY 2018-19.

b) Construction of new unit was started in SEZ Kandla, Gujarat in FY 2018-19, commercial production will start from second quarter of FY 2019-20

c) New green field plant of Wiring Harness Division completed its construction during FY 2018-19 & commercial production also started from this year.

d) Wire division is setting up a new plant in Pithampur, Indore, commercial production has started during March 2019 and complete ramp up will start from FY 2019-20.

The Company is continuously improving its geographical footprint to meet the requirements of it's customers.

CASH FLOW

The Company has strong cash flow position after meeting operating expenses including capital expenditure. Following table summarizes the Company's consolidated and standalone cash flows for the current and previous years.

Consolidated Cash Flow statement:

₹ in Million

Consolidated Cash Flow	2017-18	2018-19
Cash flow from operations	**42,688**	**53,622**
Taxes paid	(10,048)	(10,498)
Cash flow from operating activities	**32,640**	**43,124**
Capital Expenditure (Net of disposal)	(30,308)	(26,853)
Proceeds from sale / (payment for purchase) of investments (net)	(1,651)	(13)
Consideration paid on acquisition of subsidiaries & associates	(1,225)	(7,217)
Cash flow from other investing activities	1,243	978
Cash flow from Investing activities	**(31,941)**	**(33,105)**
Proceeds & (repayments) of borrowings	(9,471)	8,147
Dividend paid	(5,020)	(4,982)
Cash flow from other financing activities	(7,723)	(5,411)
Cash flow from financing activities	**(22,214)**	**(2,246)**
Net Increase/(Decrease) in Cash & Cash Equivalents	(21,515)	7,773
Net Cash and Cash equivalents at the beginning of the year	48,772	27,706
Cash and cash equivalents as at current year closing*	**27,257**	**35,479**

*(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, 2019 was ₹ 43,124 million. Cash generated from operations before changes in working capital & income tax was ₹ 54,579 million.

Investing Activities

Net cash flow utilised in investing activities during the fiscal year ended March 31, 2019 was ₹ 33,105 million. This was primarily contributed by amount paid for purchase of property, plant & equipment for ₹ 26,853 million (the same is explained in "Capital Expenditure").

During the year the Company made acquisition of Samvardhana Motherson Reydel Company (SMRC). Total consideration paid for the acquisitions was ₹ 13,767 million along with cash & cash equivalents of ₹ 6,550 million taken over at the acquisition date.

Financing Activities

Net cash flow utilized in financing activities for the fiscal year ended March 31, 2019 was ₹ 2,246 million. This mainly constitutes of dividend payment of ₹ 6,395 million to the shareholders including Minority shareholders. Net proceeds from various working capital facilities and term loan utilized during the period was ₹ 8,147 (including ₹ 5,947 received from group company as subordinated debt).

Standalone Cash Flow statement:

₹ in Million

Standalone Cash Flow	2017-18	2018-19
Cash flow from operations	**12,819**	**13,206**
Taxes paid	(4,426)	(3,781)
Cash flow from operating activities	**8,393**	**9,425**
Capital Expenditure (Net of disposal)	(3,040)	(3,976)
Proceeds from sale / (payment for purchase) of investments (net)	(296)	-
Cash flow from other investing activities	723	1,213
Cash flow from Investing activities	**(2,613)**	**(2,763)**
Proceeds & (repayments) of borrowings	(1,372)	(568)
Dividend paid	(4,969)	(5,492)
Cash flow from other financing activities	(299)	(342)
Cash flow from financing activities	**(6,640)**	**(6,402)**
Net Increase/(Decrease) in Cash & Cash Equivalents	(860)	260
Net Cash and Cash equivalents at the beginning of the year	1,854	1,016
Cash and cash equivalents as at current year closing*	**994**	**1,276**

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

Operating profit before working capital changes was in line at ₹ 13,162 million, compared to ₹ 13,742 million for FY2017-18.

During the year,Company incurred capital expenditure amounting ₹ 3,976.

During the year 2018-19 no new borrowings were raised. The Company paid dividend amounting ₹ 2.25/- per share on pre bonus capital.

REVIEW OF PERFORMANCE BY SEGMENT/ SUBSIDIARIES

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 in five reportable segments of the business.

The following table shows business progress with respect to our different business segments during FY2018-19:

₹ in Million

Consolidated	March 31, 2018		March 31, 2019		Growth
	%	Amount	%	Amount	%
MSSL Standalone	13%	73,084	12%	73,959	1%
SMR	21%	118,833	21%	129,840	9%
SMP	47%	260,437	48%	298,070	14%
PKC	14%	78,738	15%	95,186	21%
Others	5%	27,488	5%	28,661	4%
		558,580		**625,716**	

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 subsidiaries of Samvardhana Motherson Reflectec Group Holdings Limited which are engaged in development, manufacture and supply of rearview mirrors and drive assistance systems.

SMP represents subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) (an overseas subsidiary of the Company) which are engaged in manufacturing and supplies of plastic parts and system modules for vehicle interiors and exteriors.

PKC represents PKC Group Plc including its subsidiaries. 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.

Others comprise other subsidiaries of the Company (excluding SMR, SMP& PKC) 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 over 59 facilities across India.

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

₹ in Million

MSSL Standalone	March 31, 2018		March 31, 2019		Growth
	%	Amount	%	Amount	%
Wiring Harness	72%	52,289	72%	53,231	2%
Modules and Polymer Components	27%	19,840	26%	19,514	-2%
Rubber/Metal machined & other products	1%	955	2%	1,214	27%
Total		**73,084**		**73,959**	**1%**

Wiring Harness

The wiring harness division has 36 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.

₹ in Million

Wiring Harness	March 31, 2018		March 31, 2019		Growth
	%	Amount	%	Amount	%
Customers Within India	87%	45,689	85%	45,468	0%
Customers Outside India	13%	6,600	15%	7,763	18%
Total		**52,289**		**53,231**	**2%**

Wiring Harness division of the Company registered a growth of 2% during 2018-19. Within India sales is neutral but export has shown growth of 18%.

Modules and Polymer Components

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

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 20 facilities in India spread over Noida, Manesar, Pune, Bengaluru, Chennai, Pondicherry, Tapukera, Sanand and Walajabad.

₹ in Million

Modules and Polymer Component	March 31, 2018		March 31, 2019		Growth
	%	Amount	%	Amount	%
Customers Within India	94%	18,640	93%	18,216	-2%
Customers Outside India	6%	1,200	7%	1,298	8%
Total		**19,840**		**19,514**	**-2%**

Sale outside India in Module and Polymer division of the Company registered growth of 8% during 2018-19.

Machined 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	March 31, 2018		March 31, 2019		Growth
	%	Amount	%	Amount	%
Customers Within India	37%	353	33%	396	12%
Customers Outside India	63%	602	67%	818	36%
Total		**955**		**1,214**	**27%**

During the year, the division achieved growth of 12% in its domestic revenue and 36% outside India.

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

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

SMRP BV together with its subsidiaries is a leading global Tier 1 supplier of rearview 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 light vehicles.

* SMP also includes Reydel Automotive Group which was acquired on August 02, 2018 by SMRP BV by purchasing 100% stake in Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V. (subsequently renamed as Samvardhana Motherson Reydel Companies" or "SMRC").

SMRC manufactures interior components and modules for global automotive customers and further strengthens the SMRP BV's offerings in the automotive interiors space along with existing SMP group. SMRC is a leading global developer and supplier of interior components to the global automotive manufacturers. SMRC's Interiors Product Portfolio includes Instrument Panels, Door Panels, Console Modules, Decorative Parts and Cockpit Modules.

The Company has strong/long relationship with global OEMs by in almost all the regions and segments and these OEM customers collectively represented major share of global automotive production.

The SMRP BV Group is active in all major global automotive production regions. With 68 facilities and 16 module centers spread across 24 countries and strategically located in close proximity to the manufacturing plants of the OEM customers with support of 32,542 employees.

As on March 31, 2019, the Company is maintaining a strong portfolio of over 1,100 patents. Design and research centres are interconnected and share innovations & technological advancements across a global network, which enables efficient improvement in the product quality and delivery of value added solutions on a global scale and in a cost efficient manner.

SMRP BV achieved sales of Euro 5,278 million having healthy growth of 5% in euro terms over previous year.

Euro in Million

	2017-18		2018-19		Growth
	%	Amount	%	Amount	%
Mirror (SMR)	31%	1,575	30%	1,604	2%
Modules and Polymer Components (SMP including SMRC)	69%	3,452	70%	3,677	7%
Inter-segment elimination		(3)		(3)	
Total		**5,024**		**5,278**	**5%**

SMP contributed 70% of the sales and SMR contributed remaining 30% for the fiscal year ended March 31, 2019.

Standard & Poor's has reaffirmed corporate credit rating of BB+ with stable outlook on SMRPBV and Fitch Ratings ("Fitch") has continued to rate outstanding secured bonds of SMRP BV at "BBB-" and corporate rating of BB+ with positive outlook.

Geographical spread of SMRP BV business

During the fiscal year ended March 31, 2019, 63% of the revenues were contributed by European region, APAC region contributed 17% and Americas contributed 20% to the overall group revenues. The Company had achieved the healthy revenue growth across various geographies on consolidated basis.

Euro in Million

	2017-18		2018-19		Growth
	%	Amount	%	Amount	%
Customers Within India	2%	79	2%	117	48%
Customers Outside India	98%	4,945	98%	5,161	4%
Total		**5,024**		**5,278**	**5%**

The geographical spread of revenues would further diversify with commencement of commercial production in FY 18-19 from Greenfields at USA & Hungary.

Samvardhana Motherson Reflectec (SMR):

SMR division produces a wide range of rearview vision systems primarily for light vehicles. SMR is a leading global supplier of exterior mirrors, with a significant global market share of passenger car by volume. Rearview 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 rearview 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 manufacturing facilities including 2 module centers and 10,655 employees as on March 31, 2019.

REVIEW OF SMR PERFORMANCE

SMR's revenue growth has increased slightly by 2% to Euro 1,604 million during fiscal year ended March 31, 2019.

Table below summarizes the financial results of SMR

Euro in Million

SMR Results #	2017-18	2018-19	% change
Net Sales	1,575	1,604	1.8%
EBITDA	183	182	-0.5%

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

Samvardhana Motherson Peguform (SMP):

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. 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 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.

SMP focuses on the premium segment, and is a leading global supplier of door panels, instrument panels and bumpers with significant global market share in respective segments.

SMP's facilities are strategically located in close proximity to the plants of its OEM customers, allowing for minimal lead times and transport costs and efficient inventory management through "just-in-time" and "just-in-sequence" deliveries to customers.

SMP includes business of SMIA which was acquired in January 2015, Kobek, renamed as Motherson Innovations Lights Gmbh & Co KG ("MIL") acquired in January 2017 and Reydel Automotive Group (renamed as SMRC) which was acquired on August 02, 2018.

SMP, SMIA & SMRC together have 47 manufacturing facilities and 14 module centers in nine countries across the globe in 20 countries and employed 21,887 people as on March 31, 2019.

REVIEW OF SMP PERFORMANCE

During the year, SMP sales is increased by 7% to Euro 3,677 million from Euro 3,452 million.

Table below summarizes the results of SMP Group

Euro in Million

SMP Results#	2017-18	2018-19	% change
Sales	3,452	3,677	6.5%
EBITDA	205	158	-22.9%

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

As at the year end March 31, 2019, Net debt is increased due to acquisition of SMRC group and capital expenditure payments for new & existing plants.

SMP registered consistent revenue growth across all products, regions and key customers.

PKC Group Plc. (PKC)(Consolidated with its Subsidiaries & Associate)

PKC Group is a global partner, designing, manufacturing and integrating electrical distribution systems,electronics and related architecture components for the commercial vehicle industry, rolling stock manufacturers and other selected segments. In addition, PKC designs and manufactures electrical cabinets, power packs and electrical distribution systems for leading rolling stock manufacturers.

Majority of PKC Group's key customers operate in the commercial vehicle industry whose products are investment goods and as such their demand is highly correlated to the general economic development.

PKC group comprises 38 companies including one associate Company located in Brazil, China, Estonia, Finland, Germany, Lithuania, Mexico, Poland, Russia, Serbia and USA.

PKC had presence in 13 countries with more than 26,000 employees during the financial year.

REVIEW OF PKC PERFORMANCE

Below table shows performance of PKC during last two years after its association with the group.

Euro in Million

PKC Results#	2017-18	2018-19	% change
Sales	1,043	1,176	12.7%
EBITDA	72	105	45.8%
PBT	35	70	100.0%
PAT (concern share)	28	52	85.7%

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

After acquisition by MSSL, PKC improved its performance at many fronts. Revenue grew organically in all geographical areas with strong commercial market in Europe, North America along with improving market in Brazil.

Organic measures of harnessing synergies within the group also helped accelerate growth.

PKC showed strong revenue growth with the commercial vehicle business. It achieved all time high annual revenue of

Euro 1.2 Billion. Demand was strong in all key markets, even though demand in China decreased compared to previous year's peak level.

The Company achieved EBITDA of more than Euro 105 million for the first time in the history of PKC. EBITDA margin was at 9.0% and showed growth of 46% on year on year basis.

During the year the Company repaid Euro 97 million High Yield Bond (4.25%) which helped in reduction in Interest costs.

PKC's market position continued to be strong in all products and geographical areas. During the financial period, customers honoured PKC with several quality awards with further strengthened its position.

Fiscal year started with strong market environment but market was slightly impacted during the year as a result of lowered GDP growth in China and trade war escalation with US.

Other Subsidiaries:

Subsidiaries	Nature of business	Currency	Revenue 2017-18 in million	Revenue 2018-19 in million
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	44	46
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	270	264
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	21	23
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.	EUR	11	16

Subsidiaries	Nature of business	Currency	Revenue 2017-18 in million	Revenue 2018-19 in million
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.	EUR	26	22
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.	EUR	18	20
Motherson Techno Precision GmbH MSSL Holding: 100% 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.	EUR	7	8
Motherson Techno Precision México, S.A. de C.V MSSL Holding: 100% Country:Mexico	Provides engineering, design and prototype services, mainly to wiring harnesses customers in Americas.	EUR	8	9
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 es Tarsa Kft. It is in the business of plastic moulding	EUR	5	12
MSSL s.r.l. Unipersonale MSSL Holding: 100% Country:Italy	Provides engineering, design and prototype services, mainly to wiring harnesses customers in Europe.	EUR	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	982	1,118
MSSL Japan Limited MSSL Holding:100% Country:Japan	Supplies wiring harness for heavy commercial vehicles.	JPY	1,316	1,357
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.	USD	23	24
MSSL WH System (Thailand) Co. MSSL Holding: 100% Country:Thailand	Manufacturing of wiring harness for leading OEMs.	THB	525	538
MSSL Korea WH Ltd. MSSL Holding: 100% Country:Korea	Supply wiring harness in Korea.	KRW	2,565	2,879

Subsidiaries	Nature of business	Currency	Revenue 2017-18 in million	Revenue 2018-19 in million
Motherson Elastomer Pty Ltd MSSL Holding: 80% Country:Australia	Manufactures orbitread tyre 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, tyre retreaders, construction, defense and rail industries.	AUD	45	52
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	179	202
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.	EUR	0*	0*
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.	EUR	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.	SGD	0*	0*
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	1	1
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	-	-
Global Environment Management (FZC) MSSL Holding: 100% Country: UAE	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.	AUD	0*	0*
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.	EUR	6	10

Subsidiaries	Nature of business	Currency	Revenue 2017-18 in million	Revenue 2018-19 in million
MATA Ireland MSSL Holding: 100% Country: Ireland	The Company owns an aircraft and does the business of passenger transportation.	EUR	-	1
Motherson Polymers Compounding solution Pvt Ltd MSSL Holding: 100% Country:India	The Company is into business of development, manufacturing and sales of general purpose and engineering plastic products.	INR	3	17

* Amounts are below the rounding off norm adopted by the Company.

Other detail about subsidiaries is explained in "Consolidated financials" section, which forms part of this report.

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 2018-19	Revenue 2017-18 in ₹ million	Revenue 2018-19 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%	12,937	13,834
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%	4,401	4,255
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. (through SMR) Includes Chongqing S MR Huaxiang Automotive Products Limited Tianjing SMR Huaxing Automotive Part Co 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%	14,440	13,092
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%	3,462	3,479

The Company's share in net profit of associates and joint ventures is ₹ 1,131 million in FY 2018-19 as compare to ₹ 1,381 million in FY 2017-18.

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 organised risk management system. The Company is therefore exposed to risks associated with global organisations and automotive industry in particular.

The Company has set up a Risk Management Committee (RMC) at the board level to periodically review operating, financial, regulatory 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 optimization 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:-

- Raw material price & supply risk
- Revenue risk
- Quality & product liability risk
- Manufacturing capacities risk
- Process control risk
- Market risk
- Social and economic risk
- Geopolitical and geo-economical risks
- Intellectual Property infringement, Patents & other risks
- Reputation Risk
- Forex risk
- Interest rate risk
- Credit risk
- Liquidity risk
- Market risk
- Regulatory risk
- M & A or strategic investments / Globalization
- 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 geographies 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 periodic internal audits in collaboration with independent 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 applicable on Indian entities) as on March 31, 2019.

HUMAN RESOURCE

We at Motherson strongly believe that it's the employees who make great organizations thrive, not the brick and mortar or the machines and equipment. Its people who make things work. An extended global family of multi-national, multi-cultural and multi-lingual professionals, committed to deliver value to all stakeholders, is the foundation of our business excellence. Our employees are our 'Partners in Progress'.

Ever changing business environment calls for continuous upgradation of organizational capabilities. Clear DNA, Vision, Mission, and business Mantras spell unambiguous directions and act as our north star. Living the spirit of BY-BY (By Yourself Better Yourself), we believe in raising the excellence bar bit by bit and challenging ourselves to achieve new benchmarks. Underlying philosophy of making today better than yesterday and working on making tomorrow better than today, keeps the cycle of continual improvement going on.

Continuous enhancement of knowledge and skills through role specific training interventions enable the team to be more effective and remain future ready. 360 degrees learning opportunities are encourages through classroom trainings, on the job trainings and experience sharing sessions by employees across levels. This helps in sharing knowledge and experience across the organization. Cross border collaboration and best practice sharing add value in this learning endeavor. The web based e-learning platform brings the knowledge within everybody's reach for them to learn in the comfort of their workstations.

Annual Wiring Harness Skill Competition provides opportunity to all to demonstrate their skill sets and infuse the spirit of continual skill enhancement for the associates. It instils a positive competitive spirit in our people and motivates them to bring finesse in their work by focussing on their skills and sharpening them through constant practice.

MSSL believes that every employee has abundant intelligence and capabilities. Given right opportunities under right circumstances, break through ideas can come from unexpected quarters. A number of employee engagement initiatives like suggestion scheme, quality month celebrations, safety week celebrations and Quality circles etc. help in utilizing true potential of all team members by providing them opportunities to contribute beyond their work.

Quality Circles encapsulate the spirit of Teamwork and passion to solve the work-related problems. This is a great way to develop a solution-oriented approach in employees and teach them different problem-solving techniques. Annual Quality Circle Convention provides a platform for all Quality Circles from across the world to showcase their ideas and projects. Having started in a small way in 1999, at present there are 1233 active Quality Circles operating within the Samvardhana Motherson Group. During FY 2018-19, out of over 3000 problems solved by these circles, related to quality, productivity, safety and waste reduction, 1,600+ projects were completed by teams from MSSL and its various subsidiaries.

An "engaged employee" is the one who is completely absorbed and enthusiastic about his work. Various activities are crafted to depict the creative side of the employee. For harbouring the culture of innovation and creativity, the Innovations Awards are awarded to the most Innovative Technical Paper based on the improvement done in the past fiscal year. Employees are encouraged to share their feedback regarding improvements in their respective processes or outside the ambit of their work under the Suggestion Scheme. Kaizens are yet another powerful dose to enhance the thinking power of the employees. Annual Theme helps in propagating the management directives set in for the year down the line. Leadership team elucidates the essence of the theme and motivates everyone to work in line with the envisioned objectives to keep the winning momentum rolling. Also, several quality improvement activities and initiatives are adopted to keep firm quality levels. Quality Month celebration is one such activity which is celebrated to further ingrain the culture of quality among all employees and build a stronger organization.

MSSL believes in creating jovial workplace by organizing events to make work days energetic and fun like Cricket Tournament, Soccer Tournament, Letter writing competition, Painting Competition, Poster competitions, Rangoli competitions, and In-Sync Quiz competition. We recognize top performers in diverse fields & award them at our Annual Day, witnessing the attendance of thousands of employees from different units under one roof. This instils a sense of pride in them and encourages others to perform. Time to time we organize seniority event or long service award and recognize our employees for their years of hard work and commitment towards the organization.

The Company over the years has instilled in its employees an attitude of working hard and celebrating even harder. The entire organization celebrates all festival together like one BIG Family.

MSSL has a non-discriminatory work environment with fair growth opportunity for everyone. It provides a safe and conducive work environment to all thus creating trust and transparency in the organization.

Meritocracy is the only criteria to ascend above the ranks. The organization holds a success story of its people rising in ranks who have direct exposure of working on the shop floor from day one. In doing so, MSSL cultivates a sustainable employee outlook and de-risk employee lifecycle consequently strengthening business performance

In short, MSSL ensures a rewarding and challenging career for its people by motivating and inspiring them to bring out their best and providing them consistent growth ladder to acquire new skills as the journey progresses onwards! With such policies and practices, respect and modesty, co-learning and collaboration, MSSL ensures an enriching work experience for our people.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

Environment, Health & Safety (EHS) – are the three important parameters to which employees in MSSL are fully committed to. The commitment is also driven by the motto used by the Group - 'Safety First' which is part of the SMG DNA.

Safety is not just a word, a sign or a label – it is a way of thinking. MSSL ensures that safety is instilled the moment an employee enters the company by imparting a detailed induction session which includes training to sensitize and familiarize them with the established safety practices of the company.

The responsibility and accountability of a safe and healthy workplace rests with each individual. Performing work responsibly starts with the management systems, the policies and procedures laid down for maintaining a safe working environment for all employees. Every employees' consistent effort towards safety, health and environment leads to better performance, quality services and therefore customer satisfaction.

Many campaigns are run across units in MSSL with the aim of making Safety uncompromisable and to find and eliminate potential safety hazards on the work site. Usage of safety equipment and devices is emphasized upon and it is ensured that employees along with their own safety are mindful of other's safety as well. All these activities are done in a fun-filled way by organizing safety quizzes, poster-making competitions, skits/role plays, etc.

Employees at their end are also encouraged to report any unsafe practices, procedures, or conditions to their seniors to keep up a safe workplace.

Safety audits are carried out from time to time, training modules are designed for new employees and insight into the safety norms are shared and followed. Work permits to employees are issued covering all aspects of safety before, during and after the work. MSSL lays a lot of emphasis on safety management, employee training, and injury prevention. Every year MSSL observes a Safety Week (this year – 04th – 10th March'19) across all its units with the main aim of "Making the workplace Safe, Secure & Injury Free". A series of programs and activities including safety training sessions for staff, bus drivers, ambulance drivers, forklift drivers etc. were conducted. Similar safety awareness trainings are also imparted to external contractors 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.

MSSL complies with regulations, advocates for progressive environmental policies, and protects workers' safety as part of its corporate responsibility. Most of the units are accredited with ISO 14001. The Company recognizes its corporate responsibility to carry out its operations whilst minimizing the impact on the environment. It also aims to comply with all applicable environmental legislations to prevent pollution and to minimize environmental damage occurring as a result of its activities.

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 Company's polymer and mirror divisions also work on developing new lightweight products and support the weight reduction programs of their customers 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.

As a responsible organization, MSSL takes initiatives for creating a positive impact on the communities wherever it undertakes business across the globe. Tree plantation is an activity carried out in units at regular intervals to promote green and pollution free environment.

A special 'Green Team', has also been created to ensure usage of environmental friendly products etc.

Apart from the above there are many other activities conducted like Quality circle projects such as 'Paper saving', health check-up camps, vaccination drives, strategic safety planning and emergency planning as part of the overall initiative.

Protection of natural resources is a high priority for MSSL. Striving to limit landfill waste, reducing energy usage and recycling are few of the ways. The company is always ready to adopt sustainable solutions. In these lines, MSSL is directing its efforts to enhance the use of alternative energy sources. Solar panels have already been implemented in many plants.

In short, MSSL sustainability Philosophy involves protecting the natural environment, human and ecological health, while driving innovation and not compromising on the way of life.

MSSL is totally committed to the principles of QCDDMSES – Quality, Cost, Delivery, Development, Management, Safety, Environment and Sustainability. The last element sustainability is one of the most critical elements. The company is very focused on sustainability and works closely with its customers and all stakeholders on being economically viable, socially responsible and environmentally friendly. The company does not publish a separate sustainability report but closely monitors and reviews sustainability internally.

OPPORTUNITIES AND FUTURE PROSPECTS

The global automotive landscape has always seen periods of crests and troughs. There are no constants even region wise, but the trend is cyclical. MSSL deals with these challenges by de-risking its business with the strategy of 3CX15 wherein no customer, component and country should contribute more than 15% to its revenue. The company constantly seeks to achieve this.

However, there is one major shift taking place - the sector is witnessing accelerating technological transformations and changing consumer tastes and demands. There are both challenges and opportunities that emerge with the changing scenario.

MSSL is present in 41 countries globally and operates in very close proximity to all its customers. The company has the knack of feeling the pulse of the changing requirements of its customers. This makes it poised to take on the opportunities that comes with the changing scenario.

MSSL is working on bringing innovative technology to its customers that takes care of their present and future requirements. Rising complexity encourages more platforming, which is an opportunity for MSSL. The need of the hour is innovative solutions for vehicles that takes care of safety and infotainment.

The company works towards its vision of being a globally preferred solutions provider to all its customers. This requires it to further strengthen its already wide product portfolio, focus on increasing the content per car, build on future technologies and identify opportunities and industry trends for being future ready. The drive to deliver more to its customers has been MSSL's most unique and continued approach to its growth strategy.

With the acquisition of Reydel Automotive Group, the Company has been able to increase its global footprint further to 5 more countries. The product portfolio too has been strengthened in the field of Instrument Panels, Door Panels, Console Modules, Decorative Parts and Cockpit across Europe, South America and Asia. After the acquisition of PKC, MSSL has also done three more acquisition in the rolling stock business- further strengthening its position is this segment.

This approach of a balance between organic and inorganic growths over the years has effectively converted every challenge into opportunity.

Calculation of Key Indicators (Ratio Analysis)

Trade Receivable Turnover (days)		(Opening Trade receivables + Closing Trade receivables)/2
		(Net Sales/360)
Inventory Turnover (days)		(Opening Trade Inventory + Closing Trade Inventory)/2
		(Net Sales/360)
Interest Coverage Ratio		EBITDA (Profit before tax + Finance costs + Depreciation and amortization expense + Exceptional items (income)/ expense)
		Finance Costs
Current Ratio		Total current assets
		Total current liabilities
Debt Equity Ratio		Gross Debt (Noncurrent borrowings + Current borrowings + Current maturities of long term debt + Current maturities of finance lease obligations)
		Total equity (Equity attributable to owners of the Company + Non-controlling interests (in case of consolidated financial))
Operating Profit Margin	100 X	EBIT (Profit before tax + Finance costs + Exceptional items (income)/ expense)
		Net Sales
Net Profit Margin	100 X	Profit attributable to Owners
		Net Sales
Net Debt to EBITDA		Net Debt (Gross Debt - (Cash and cash equivalents + Other bank balances*)
		EBITDA (Profit before tax + Finance costs + Depreciation and amortization expense + Exceptional items (income)/ expense)

*Other than unpaid dividend

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, Bandra Kurla Complex, Bandra East, Mumbai – 400051, Maharashtra, India
4	**Website**	www.motherson.com
5	**E-mail id**	investorrelations@motherson.com
6	**Financial year reported**	2018-19
7	**Sector(s) that the Company is engaged in(industrial activity code-wise)**	
	Name and description of main product/services Wiring harness and components Polymer products	**NIC Code of the product / service** 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: 41 Countries Europe 21 Americas 4 Asia 12 Australia 1 Africa 3
	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 2018-19 Standalone ₹ in million	FY 2018-19 Consolidated ₹ in million
1	Paid up Capital	3,158	3,158
2	Total Turnover		
	(a) Revenue from operations	75,813	635,229
	(b) Other income	1,865	2,202
3	Total Profit After Taxes	8,138	16,131

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 1.60% (₹ 130 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 170) 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 initiatives being 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
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 RESPONSIBILITY POLICY/ 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 2018-19, 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. Since wiring 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 actions are 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 materials wherever it is usable within the Company, which cannot be reused is disposed off in 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 118,144 as on March 31, 2019 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 52,926 as on March 31, 2019 in the Company (including its Subsidiaries).

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

   There were 25,335 permanent female employees as on March 31, 2019 in the Company (including its Subsidiaries).

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

   There were 1,063 differently abled permanent employees as on March 31, 2019 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?**

   26.7%

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, 2019
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	1	Nil
3	Discriminatory employment	3	Nil

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

Permanent Employees	89%
Permanent Women Employees	87%
Casual/Temporary/Contractual Employees	94%
Differently abled employees	85%

   Safety training is a part of the induction process and all employees mandatorily go through one day safety training, including fire fighting 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 for poor 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 is providing clean drinking water 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 wellbeing 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 2018-19 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 manufacturers association of India
   b. Federation Of Indian Export Organisation
   c. Confederation Of Indian Industries
   d. The Associated Chambers of Commerce & Industry of India
   e. Society Of Indian Automobile Manufacturers
   f. Motor & equipment manufacturers association
   g. Federation Of Indian Chamber Of Commerce
   h. HDMA (Heavy Duty Manufacturer Association)
   i. Export promotion council for EOU & SEZ's
   j. Bidadi Industrial Association
   k. Noida Entrepreneurs Association

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 The 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 2018-19, the Company spent ₹ 130 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 **32nd Annual Report** together with the audited financial statements of the Company for the financial year ended March 31, 2019. The consolidated performance of the Company and its subsidiaries has been referred to wherever required.

FINANCIAL RESULTS

The summarized financial results for the year ended March 31, 2019 and for previous year ended March 31, 2018 are as follows:

₹ in Million

Particulars	Standalone		Consolidated	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Gross Revenue from operations	75,813	76,673	635,229	565,213
Net Revenue from operations	75,813	74,561	635,229	562,933
Other Income	1,865	1,404	2,202	1,701
Profit before depreciation, interest and tax	**14,593**	**14,723**	**55,686**	**52,927**
Less: Depreciation and amortisation expense	2,193	2,183	20,582	15,752
Less: Finance Costs	176	433	4,232	4,108
Less: Exceptional Expenses	-	-	-	1,777
Add: Share of profit / (loss) in associates	-	-	1,131	1,381
Profit Before Tax	**12,224**	**12,107**	**32,003**	**32,671**
Less: Provision for Tax	4,086	3,316	11,022	10,072
Less: Minority Interest	-	-	4,850	6,629
Profit after tax	**8,138**	**8,791**	**16,131**	**15,970**
Add: Balance brought forward	27,258	23,467	59,338	48,310
Profit available for appropriation	35,396	32,258	75,469	64,280

OPERATIONS AND PERFORMANCE

On consolidated basis for the financial year 2018-19, your Company achieved total revenue of ₹ 635,229 million resulting in a growth of about 13% over its revenue of ₹ 562,933 million of the previous financial year ended March 31, 2018. Net profit for the year at ₹ 16,131 million was higher by 1% over the previous year's net profit of ₹ 15,970 million.

On standalone basis for the financial year 2018-19, your Company achieved total revenue of ₹ 75,813 million resulting in a growth of about 2% over its total revenue of ₹ 74,561 million of the previous financial year ended March 31, 2018. The profit after tax for the year ended March 31, 2019 at ₹ 8,138 million.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report.

The Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **"Listing Regulations"**) is presented in a separate section forming part of the Annual Report.

SHARE CAPITAL

During the financial year, your Company had increased the Authorised Share Capital from the existing ₹ 312,30,00,000/- (Rupees Three Hundred Twelve Crore and Thirty Lacs only) divided into 287,30,00,000 (Two Hundred Eighty Seven

Crore and Thirty Lacs) Equity Shares of ₹ 1 (Rupee One) each and 2,50,00,000 (Two Crore Fifty Lacs) Preference Shares of ₹ 10 (Rupees Ten) each to ₹ 630,00,00,000 (Rupees Six Hundred Thirty Crores only) by creation of additional 317,70,00,000 (Three Hundred Seventeen Crore Seventy Lacs) Equity Shares of ₹ 1 (Rupee One) each.

The aforesaid increase in Authorised Share Capital was approved by the shareholders through postal ballot for which results were declared on October 18, 2018.

BONUS SHARES

During the financial year, your Company has allotted 105,26,44,746 equity shares of face value of ₹ 1 (Rupee One) each on account of the issue of Bonus Shares on November 1, 2018 in the ratio of one equity share against two equity shares held. This is ninth 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 ₹ 3,157,934,237 divided into 3,157,934,237 equity shares of ₹ 1 (Rupee One) each.

Issue of bonus shares were approved by the shareholders through postal ballot for which results were declared on October 18, 2018.

DIVIDEND

The Directors are pleased to recommend for approval of the members a payment of dividend of ₹ 1.50 per share (face value of ₹ 1 each) on the expanded Share Capital of the Company for the financial year ended March 31, 2019 to the equity shareholders.

The dividend, if approved by the members, would involve total cash outflow on account of dividend including dividend tax of ₹ 5,711 Million resulting in a payout of 70% of the standalone profits of the Company and 35% of the consolidated profits of the Company.

CREDIT RATING

The Company continues to enjoy "Baa3" rating by Moody's Investors Service, for its foreign currency and local currency issuer ratings to the Company.

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 upgraded its long term rating to [ICRA]AA+ from [ICRA]AA and short term rating continues at [ICRA]A1+ for ₹ 18,082.7 million line of Credit (LOC).

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

During the year India Ratings & Research assigned IND A1+ for short term loans and IND AAA/Stable for long term loans.

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

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).

FIXED DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

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 Report.

ACQUISITIONS

Acquisition of Reydel Automotive Group by Samvardhana Motherson Automotive Systems Group B.V., a subsidiary of the Company

The Company's step down subsidiary Samvardhana Motherson Automotive Systems Group B.V. ("SMRP BV") had completed acquisition of Reydel Automotive Group ("Reydel") on August 2, 2018. Thereafter, the name of Reydel has been changed to Samvardhana Motherson Reydel Companies ("SMRC"). SMRC is in the business of manufacturing interior components and modules for global automotive customers.

Acquisition by Motherson Rolling Stock Systems GB Limited, U.K., a subsidiary of the Company#

Motherson Rolling Stock Systems GB Limited, UK ("MRSS"), (a wholly owned subsidiary of Motherson Sumi Systems Ltd. through PKC Group Ltd.), has signed a definitive agreement on February 28, 2019 with Bombardier Transportation (Rolling Stock) UK Ltd. ("Bombardier") to acquire Bombardier's assets in connection with the production and installation of electrical components and systems for applications in the rail industry, comprising among others, the manufacturing of wiring harnesses, panel and cabinet build and electromechanical assemblies in Derby, UK.

Through this acquisition, the Company will expand its supply of electricals and wiring systems to Bombardier Transportation, to cover UK rolling stock projects. The transaction includes transfer of assets, employee and inventories, on debt free and cash free basis and is valued at GBP 10.87 million (approx). The transaction has been completed in the month of April 2019.

#Completed subsequent to the financial year 2018-19.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

The details of changes in Company's subsidiaries, joint venture or associate companies, are as following:

1. Companies which became subsidiaries (direct and indirect) during financial year 2018-19 are as follows:

   a. Subsidiary through incorporation:

      (i) MSSL M Tooling Limited, Mauritius;
      (ii) Motherson Rolling Stock Systems GB Limited, UK;
      (iii) Motherson Innovations LLC;
      (iv) Motherson Ossia Innovations LLC; and
      (v) Samvardhana Motherson Corp Management Shanghai Co. Ltd.

   b. Subsidiary through acquisition:

      (i) SMRC Automotive Holdings B.V. (formerly Reydel Automotive Holdings B.V.); and
      (ii) SMRC Automotive Interiors Management B.V. (formerly Reydel Automotive Management B.V.).

   Further, with the acquisition of Reydel Automotive Group, its following subsidiaries have also become the subsidiary of the Company:-

   (i) SMRC Automotive Holdings Netherlands (formerly B.V. Reydel Automotive B.V.);
   (ii) SMRC Automotives Techno Minority Holdings B.V. (formerly Reydel Automotive Minority Holdings B.V.);
   (iii) SMRC Smart Automotive Interior Technologies USA, LLC (formerly Reydel Automotive USA, LLC);
   (iv) SMRC Automotive Modules France SAS (formerly Reydel Automotive France SAS);
   (v) Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (formerly Reydel Automotive Holding Spain, S.L.U);
   (vi) SMRC Automotive Interiors Spain S.L.U. (formerly Reydel Automotive Spain, S.L.U);
   (vii) SMRC Automotive Interior Modules Croatia d.o.o. (formerly Reydel Automotive Croatia d.o.o.);
   (viii) Samvardhana Motherson Reydel Autotecc Morocco SAS (formerly Reydel Automotive Morocco SAS);
   (ix) SMRC Automotive Technology RU LLC (formerly Reydel Automotive Rus LLC);
   (x) SMRC Smart Interior Systems Germany GmbH (formerly Reydel Automotive Germany GmbH);
   (xi) SMRC Automotive Interiors Products Poland SA (formerly Reydel Automotive Poland SA);
   (xii) SMRC Automotive Solutions Slovakia s.r.o. (formerly Reydel Automotive Slovakia s.r.o.);
   (xiii) SMRC Automotive Holding South America B.V. (formerly Reydel Automotive South America B.V.);
   (xiv) SMRC Automotive Modules South America Minority Holdings B.V. (formerly Reydel Automotive South America Minority Holdings B.V.);
   (xv) SMRC Automotive Tech Argentina S.A. (formerly Reydel Automotive Argentina SA);
   (xvi) SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltd. (formerly Reydel Automotive Brazil Industria e Comercio de Sistemas Automotivos Ltd.);
   (xvii) SMRC Automotive Products India Pvt. Ltd. (formerly Reydel Automotive India Pvt. Ltd.);
   (xviii) SMRC Automotive Smart Interior Tech (Thailand) Ltd. (formerly Reydel Automotive Thailand Ltd.);

(xix) SMRC Automotive Interiors Japan Ltd. (formerly Reydel Automotive Japan Ltd.);

(xx) Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd. (formerly Shanghai Reydel Automotive Technology Consulting Co. Ltd.);

(xxi) PT SMRC Automotive Technology Indonesia (formerly PT Reydel Automotive Indonesia);

(xxii) Yujin SMRC Automotive Techno Corp. (formerly Yujin- Reydel Corp.);and

(xxiii) SMRC Automotives Technology Phil Inc. (formerly Reydel Automotive Phils Inc.).

2. Companies which ceased to be subsidiaries during financial year 2018-19 are:

   (i) Global Environment Management Australia Pty. Ltd. (dissolved on April 20, 2018); and

   (ii) MSSL Overseas Wiring Systems Limited, U.K. (dissolved on January 29, 2019).

3. Company which became joint venture during financial year 2018-19 is:

   (i) Tianjin Huaxiang Automotive Parts Co., Ltd., China (Wholly owned subsidiary of Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd., a joint venture company).

In accordance with section 129(3) of the Companies Act, 2013, the consolidated financial statements of the Company including its subsidiaries, associate and joint venture companies 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 forms 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 this Report.

EXPORTS FROM INDIA

The Company's exports during the year were ₹ 9,878 million as against ₹ 8,402 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.

DIRECTORS

As per provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Noriyo Nakamura (nominee of Sumitomo Wiring Systems Limited, Japan ("SWS")) and Mr. Pankaj Mital, Directors of the Company, retire by rotation in the ensuing Annual General Meeting. Ms. Noriyo Nakamura has shown her unwillingness for re-appointment. Mr. Pankaj Mital, Whole-time Director being eligible seeks his re-appointment. Accordingly, the Board of Directors recommend the re-appointment of Mr. Pankaj Mital to the members of the Company.

The members in 27th Annual General Meeting ("AGM") held on August 25, 2014, *inter-alia,* appointed Mr. S.C. Tripathi, IAS (Retd.), Mr. Arjun Puri, Mr. Gautam Mukherjee and Ms. Geeta Mathur as Independent Director(s) to hold office for five (5) consecutive years for a term upto 32nd AGM to be held in the year 2019. Mr. S.C. Tripathi, IAS (Retd.), Mr. Arjun Puri, Mr. Gautam Mukherjee and Ms. Geeta Mathur are eligible for re-appointment for a second term of five (5) consecutive years. Accordingly, pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, based on the recommendation of the Nomination and Remuneration Committee, the Board recommends to the members for the re-appointment of Mr. S.C. Tripathi, IAS (Retd.), Mr. Arjun Puri, Mr. Gautam Mukherjee and Ms. Geeta Mathur for second term of five (5) consecutive years, as mentioned in the notice convening 32nd Annual General Meeting of the Company, through special resolution(s).

The details of appointment/re-appointment of the Directors of the Company are mentioned in the Explanatory Statement under section 102 of the Companies Act, 2013 and annexure to the Notice of the 32nd AGM.

STATEMENT OF DECLARATION BY INDEPENDENT DIRECTORS

The Board of Directors has received declarations from all the Independent Directors of the Company confirming that they meet with criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) read with Regulation 25 of the 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 Board of Directors and Committee(s). The details of remuneration and/or other benefits of the Independent Directors are mentioned in the Corporate Governance Report.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of section 203 of the Companies Act, 2013, during the financial year under review the Company has following Key Managerial Personnel:

(a) Mr. Pankaj Mital, Whole-time Director and Chief Operating Officer;
(b) Mr. G.N. Gauba, Chief Financial Officer; and
(c) Mr. Alok Goel, Company Secretary.

Mr. G.N. Gauba was acting as Chief Financial Officer & Company Secretary till April 2, 2018 and re-designated as Chief Financial Officer effective April 2, 2018. Mr. Alok Goel was appointed as the Company Secretary effective April 2, 2018.

MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND THE DATE OF THIS REPORT

There is no other material change(s) and commitments between the end of financial year and the date of this report.

NUMBER OF MEETINGS OF THE BOARD

The Board of Directors met seven (7) times during the financial year 2018-19 and the details of same are given in the Corporate Governance Report forming part of this Annual Report.

The intervening gap between consecutive meetings was not more than one hundred and twenty (120) days as prescribed by the Companies Act, 2013 and the Listing Regulations.

AUDIT COMMITTEE

The Audit Committee of the Board is comprised of Mr. S.C. Tripathi, IAS (Retd.) as Chairman, Mr. Arjun Puri, Mr. Gautam Mukherjee, Ms. Geeta Mathur as Independent Directors and Mr. Shunichiro Nishimura, Mr. Laksh Vaaman Sehgal as Members. During the year all the recommendations made by the Audit Committee were duly accepted by the Board.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and Individual Directors pursuant to the provisions of the Act and Listing Regulations.

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

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India.

In a separate meeting of Independent Directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of 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 the board meeting that followed the meeting of the Independent Directors and meeting of Nomination and Remuneration Committee, 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

In adherence to the provisions of Section 134(3)(e) and 178(1) & (3) of the Companies Act, 2013, the Board of Directors upon recommendation of the Nomination and Remuneration Committee approved a policy on Director's appointment and remuneration, including, criteria for determining qualifications, positive attributes, independence of a Director and other matters. The said Policy extract is covered in Corporate Governance Report which forms part of this Report and is also uploaded on the Company's website at www.motherson.com.

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 preparation of the annual accounts for the financial year ended March 31, 2019, 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, 2019 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; and

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 Members of the Company in 30th AGM approved the appointment of M/s. S. R. Batliboi & Co. LLP, Chartered Accountants, (Firm Registration No. 301003E/IE300005), as the Statutory Auditors of the Company for a term of 5 (five) years, i.e., from the conclusion of 30th AGM till the conclusion of 35th AGM of the Company, to be held in the year 2022. Pursuant to amendments in Section 139 of the Companies Act, 2013, the requirements to place the matter relating to such appointment for ratification by members at every AGM has been omitted with effect from May 7, 2018.

The notes on the financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

The Auditors Report annexed with this Annual Report, does not contain any qualification, reservation or adverse remarks.

During the Financial Year 2018-19, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3)(ca) of the Companies Act, 2013.

Cost Auditor

As per recommendation of the Audit Committee, the Board of Directors has appointed M/s. M.R. Vyas & Associates, Cost and Management Accountants (Registration No. 101394) as Cost Auditor for conducting the audit of cost records of the Company for the financial year 2018-19.

Pursuant to the section 148 of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014, the cost accounts and records are duly made and maintained by the Company as specified by the Central Government under section 148(1) of the Companies Act, 2013.

During the Financial Year 2018-19, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3)(ca) of the Companies Act, 2013.

Secretarial Auditor

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s. SGS Associates, Company Secretaries (CP No. 1509) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2019.

The Secretarial Audit was carried out by M/s. SGS Associates, Company Secretaries (CP No. 1509) for the financial year ended March 31, 2019. The Report given by the Secretarial Auditor is annexed herewith and forms integral part of this Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the Financial Year 2018-19, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3)(ca) of the Companies Act, 2013.

AWARDS & RECOGNITIONS

During the year, the Company had received various awards and recognitions, which have been described in "Awards and Recognition" section, forming part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

Particulars of loans given, Investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by recipient are provided in the standalone financial statement. Please refer Note No. 6(a), 6(b) and 7 to the standalone financial statements.

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 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.

Pursuant to the provision of applicable Listing Regulations, all related party transactions are placed before the Audit Committee for approval including the transaction under section 188 of the Companies Act, 2013 and regulation 23 of Listing Regulation, i.e. the transactions which are unforeseen and within the limit of ₹ 10 million. Prior omnibus approval of the Audit Committee has been obtained for transactions which are foreseen and repetitive in nature. The transactions entered into pursuant to 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 (as amended from time to time).

Your Directors draw attention of the members to Note No. 40 to standalone 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 is given in **Annexure–B** to this Report.

The Statement containing the particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5(2) and other applicable rules (if any) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of section 136 of the Companies Act, 2013 the said annexure is open for inspection at the registered office of the Company during the working hours. Any member interested in obtaining a copy of the same may write to the Company.

CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Regulations. A separate section on Corporate Governance, forming a part of this Report and the requisite certificate from the Company's Auditors confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

DISCLOSURE REQUIREMENT

Business Responsibility Report:

Pursuant to regulation 34(2)(f) of the Listing Regulations, the Business Responsibility Report by describing the initiatives taken from an environmental, social and governance perspective, in the prescribed format is available as a separate section of the Annual Report.

Dividend Distribution Policy:

As per regulation 43A of the Listing Regulations, the Dividend Distribution Policy of your Company is disclosed in the Corporate Governance Report and is also uploaded on the Company's website.

LISTING OF EQUITY SHARES

Equity shares of your Company are presently listed at the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE).The listing fees for the financial year 2019-20 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 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 Reports are presented directly to the Chairman of the Audit Committee and its members.

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 had constituted Risk Management Committee to identify elements of risk in different areas of operations and to develop policy for actions associated to mitigate the risks. 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 Report, 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 of 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.

The Company is, *inter-alia*, also performing CSR activities through Swarn Lata Motherson Trust which has been established for the sole purpose of CSR activities. Further, the Company continue to carry out CSR activities as specified under schedule VII to the Companies Act, 2013.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has established a vigil mechanism which incorporates a whistle blower policy in terms of the Companies Act, 2013 and the Listing Regulations 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 e-mail or dedicated telephone line or a letter to the Thought Arbitrage Consultancy or to the Chairman of the Audit Committee. The Whistle Blower Policy is available on the Company's website at https://www.motherson.com/assets/corporate-governance/whistle-blower-policy-new.pdf.

EXTRACT OF THE ANNUAL RETURN

In accordance with section 92(3) and section 134(3)(a) of the Companies Act, 2013 and rules framed thereunder, an extract of the annual return for the financial year 2018-19 in the prescribed Form MGT-9 is attached herewith as **Annexure–D**, which is part of this Report. The same is also available on the website of the Company at https://www.motherson.com/assets/annual-report/Annual_Report_2018-19.pdf.

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.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee composed of internal members and an external member who has extensive experience in the field.

During the Financial Year 2018–19, there were no cases filed under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GREEN INITIATIVES

Electronic copy of the Annual Report 2018-19 and the Notice of the 32nd AGM 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 their continuous support.

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

Place: Noida
Date: May 27, 2019

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 on optimization of energy consumption in every possible area in its units. Various avenues are being explored at periodic intervals, and after careful analysis, planning measures are being initiated to minimize the consumption of energy by optimum utilization of energy consuming equipments. During the year under review, measures were initiated / adopted for conservation and optimize utilization of energy at various plants & units of the Company:

- New units are using LED lights and solar panels for security lighting and lights in older units (including street light) are being converted to LED.
- Timer controls/ motion sensors for lighting and air conditioning in plant areas to save on power during rest / lunch time.
- 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 and by installing Invertor AC.
- Energy efficient air compressor systems using VFD.
- Installation of Air Booster in machines for optimum utilization of air compressor.
- Water conservation measures to minimize water intake & consequent reduction in pumping extraction or direct water buying by installing level sensors in tanks and urinal sensors in toilets.
- 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.
- Servo driven pumping system retrofits to save the energy consumption of injection / blow molding machine.
- 350 CnC Machines are upgraded to save on power by conveyer not operating at less than 500 mm wire length and all new machines are 12% power efficient (WHD).
- Continue to create awareness amongst team members on energy conservation through campaigns and events.
- Poly carbonate sheets installed in roof of RM Store for natural light in day time.
- Installation of thermal insulation jackets at Haitian 1300T, injection molding machine, heating jackets for barrel heaters, power UPS and air pressure regulators (Polymer Division).

b) Steps taken by the Company for utilizing alternate source of energy:

- Installed three (3) units of roof solar plants of total capacity of 1400 kwp, which has resulted in power saving of 10% annually (WHD).
- Seven (7) units are utilizing Wind Power which saved 7-8% of annual power bill (WHD).
- Installation of wind mill, light pipe or solar tube in few plants (WHD).
- The Company is working on to install roof type solar plants in balance manufacturing units in addition to solar operated security lights.

- In all new locations solar plants feasibility will be studied in set up planning.
- In process to explore the use of PNG in lieu of Diesel in Gen-sets.
- In process of setting up water ponds in units to recoup water levels and internal usage.

c) The capital investment on energy conservation equipment:

The Company is in continuous process for making efforts on energy conservation and such measures include efforts at planning stage of expansion or modernization or replacement etc. (as the case may be). Accordingly, such expenses are considered in annual budgets and cost. In addition to above, considering size and extent of operations and turnover of the Company, any specific capital investment detail(s) in this respect, will be insignificant to segregate and separately report.

B. Technology absorption

The Company continued the work in exploring, adopting and absorbing future technologies and its viable application to Electrical & Electronics Distribution Systems. This enables Company to offer differentiating solutions to its customers addressing the challenges of complexity management, weight and volume optimization of Vehicle Harness Systems.

Research & Development (R&D)

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

- Wiring Harness Division of the Company has expanded its Technology & Application Center (TAC) by adding resources and infrastructure. A dedicated center for developing and absorption of new technologies & applications to carter potential customer requirements and business needs. As of now the focus areas are:
  - High Voltage Wiring Harness Systems
  - Specialized Cables and Connection Systems
  - Light Weighting solutions (adoption of 'Al' Wires)
  - Electronics and Junction Box Technologies and Products
  - Solutions for the emissions and other regulatory requirements
  - Adopting modern model based design methodologies utilizing virtual validations to confirm designs and 3D Printers to realize the prototypes immediately. This reduces the time and improves quality of new product launches
- In-house automations e.g. our own Auto Guided Vehicles (AGV's), efficient and extremely effective EOL test equipment, Industry 4.0 compliant manufacturing infrastructure and business systems have kept the mix just right for Capital as well as Operating expenditures.
- Polymer Division of the Company (MATE) has indigenously developed & implemented automation cells for In-Mould Decoration (IMD) process. The automation cells include:
  - IMD sheet trimming with high-speed router & welding of child part with ultrasonic welding.
  - End of Arm Tooling (EOAT) for robotic pick, placing of IMD foil, moulded components.
    - Integration of dirt cleaning system for foil.
    - Integration of mould cleaning system with using ionized air blow.
    - Integration foil holding in the tool using resistant charging.
- To reduce the dependency special purpose Ultrasonic Welding cells with articulated arm robots, ROBIS (Robotic automation and Innovative Solutions) has developed, standard, modular & compact ultrasonic welding m/c using XYZ linear robot with the fixture & nest changeover time of less than 3 minutes.
- MATE has developed Mould Cooling Leakage Detection System to detect the leakage of cooling media in the closed loop Mould cooling.
- MATE has developed Analogue Melt Leak Detectors to detect melt leakages in hot runner mould to avoid long mould breakdowns.
- Smart features such as weighing of moulded part, measuring mould surface temperature & static charge removal developed for the linear robots that were manufactured in-house.
- Cost effective vision system with applications such as Blob Detection, Edge Detection, Greyscale Pattern Match, Geometric Pattern Match, Colour Pattern Match, Barcode Reading,

QR Code Reading, Distance Measurement, Colour Classification developed in-house & deployed for various application.

- 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.

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.
   - High-speed pick & place robots, Delta robot in cooperative operation mode & Scara robot integrated with ROBIS vision system.
   - Ultrasonic welding machine with linear robotics.

3. Future plan of action

   The Company will keep focusing on the development of new parts required for electrical and electronics distribution system ("EEDS") in a car this will bring out unique and cost effective solutions for the future developments.

4. Expenditure incurred on Research and Development:

   A) Capital : ₹ 39 Million

   B) Revenue : ₹ 238 Million

   C) Total : ₹ 277 Million

   D) Total R&D expenditure is 0.37% 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 line with global as well as regional (Indian) trends of alternate fuel powertrain (including electrification), connected car technologies, safety, environment and autonomous driving technology adoption in transportation applications, Wiring Harness Division of the Company has designed and developed important solutions for passenger cars, two-wheelers, commercial vehicles, buses and off-high way applications.

These solutions include EEDS for Electric vehicles (including critical components like power distribution boxes), innovative integration of connected car components with EEDS assemblies, specialized cables for safety and high temperature emission applications, specialized cables for multimedia applications. Along with these, the Company has come up with path breaking decentralized E/E architecture options and components to enable our customer to adopt required E/E elements to offer differentiating benefits to their respective users.

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 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 manufacturers.

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;
   - The Company established the process for metal to rubber product manufacturing;
   - The Company established the process for knitting extrusion hoses;
   - The Company established an automatic deflash process through high-speed vibrations;
   - The Company established an automatic cut off provision in machine during long curing time;
   - The Company has been controlled Vacuum Pumps with Day timers; and

- The Company has interlocked Air Coolers with fire panel and to cut off Air cooler automatically during emergency situations.

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;
    - The Company reduced the product cycle time due to which we increased the machine efficiency by 1%;
    - Extrusion hose washing done automatic;
    - The Company started to dispatch the materials by using BINS instead of carton box;
    - The Company introduced SMED concept for mould loading;
    - The Company has started crimping, bush assembly, reverting, drilling, hose cutting through automation.

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 opportunities based on economic consideration. During the year, the Company has export (FOB value) worth ₹ 9,944 million.

2. Total foreign exchange earned and outgo

(₹ in Million)

a.	Total Foreign exchange earned in terms of actual inflows	11,073
b.	Total Foreign exchange outgo in terms of actual outflows	30,702

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

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. Shunichiro Nishimura	--
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	94.5

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

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Pankaj Mital, Whole-time Director	11.45%
Mr. G.N. Gauba, Chief Financial Officer	11.71%
Mr. Alok Goel, Company Secretary	12.00%

c) The percentage increase in the median remuneration of employees in the financial year: 11.87%

d) The number of employees on the rolls of Company: 33,829

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 2018-19 (₹ in million)	55.39
Revenue (₹ in million)	75,813
Remuneration of KMPs (as % of revenue)	0.073%
Profit before Tax (PBT) (₹ in million)	12,224
Remuneration of KMP (as % of PBT)	0.45%

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

	Mr. Pankaj Mital	Mr. G.N. Gauba	Mr. Alok Goel
Remuneration in FY 2018-19 (₹ in million)	25.83	21.60	7.96
Revenue (₹ in million)	75,813	75,813	75,813
Remuneration as % of revenue	0.034%	0.028%	0.010%
Profit before Tax (PBT) (₹ in million)	12,224	12,224	12,224
Remuneration (as % of PBT)	0.211%	0.177%	0.065%

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

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

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2018-19

Sl. No.		Remarks
1.	Average net profit of the Company for last three financial years	₹ 10,466 million
2.	Prescribed CSR Expenditure (two percent of the amount as in Sl. No. 1 above)	₹ 209 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	 ₹ 209 million ₹ 78.71 million As per 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 identified various CSR projects under skill development, digital learning, waste management and sustainable livelihoods for the underprivileged sections of society. These projects are implemented through Swarn Lata Motherson Trust (SLMTT). The Company is committed to continually identify projects that can create maximum impact on the society. In the previous/current year, the Company was involved with SLMTT (the implementing agency) in detailed planning, need assessment, identification of beneficiaries and multiple stakeholders for such projects to ensure maximum benefits and sustainable development of the society. The Company is strongly committed towards the sustainable development of the society and will continue to build projects with SLMTT. The expenditure on these projects shall be accounted for as an when incurred.
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

(₹ in million)

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.	ISKCON Project- KrisH Substainable Habitat	Clause (ii) and (iv) of Schedule VII of the Companies Act, 2013:- for promoting education, livelihood enhancement project and animal welfare	Vridavan, Uttar Pradesh	79.10	79.10	79.10	Implementing agency – Swarn Lata Motherson Trust
2.	Skill Development and Vocational Trainings for underserved youth	Clause (ii) of Schedule VII of the Companies Act, 2013:- promoting education, special education, vocational skills	Noida, Uttar Pradesh	30.32	28.35	28.35	Implementing agency – Swarn Lata Motherson Trust
3.	WASHe project for Govt. Primary Schools	Clause (i) and (ii) of Schedule VII of the Companies Act, 2013:- sanitation and promoting education	Uttar Pradesh	6.50	5.99	5.99	Implementing agency - Swarn Lata Motherson Trust
4.	Digital education for school children and local communities	Clause (ii) of Schedule VII of the Companies Act, 2013:- promoting education, special education, vocational skills	Uttar Pradesh	6.00	-	-	Implementing agency – Swarn Lata Motherson Trust
5.	Supporting shelter homesfor abandoned senior citizens and disabled individuals	Clause (iii) of Schedule VII of the Companies Act, 2013:- supporting old age homes, for orphans,and senior citizens	Delhi	3.59	3.59	3.59	Implementing agency – Swarn Lata Motherson Trust
6.	Prime Minister Relief Fund	Clause (viii) of Schedule VII of the Companies Act, 2013:- Contribution to the Prime Minister's National Relief Fund	N.A.	1.99	1.99	1.99	Direct
7.	Supporting education for under-privileged children and women's shelters	Clause (i) and (ii) of Schedule VII of the Companies Act, 2013:- poverty and malnutrition, promoting education.	Delhi	0.97	0.97	0.97	Implementing agency – Swarn Lata Motherson Trust

(₹ in million)

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
8.	Segregation of Organic Waste for Recycling and Treatment	Clause (i) and (iv) of Schedule VII of the Companies Act, 2013:- promotion of sanitation, ensuring environment sustainability	Delhi	0.80	0.80	0.80	Implementing agency – Swarn Lata Motherson Trust
9.	Nanhi Kali	Clause (ii) of Schedule VII of the Companies Act, 2013:- Promoting Education	Maharashtra	0.44	0.44	0.44	Implementing agency - K.C. Mahindra Education Trust
10.	Delhi Police Martyrs Funds	Clause (vi) of Schedule VII of the Companies Act, 2013:- benefit of armed forces	Delhi	0.35	0.35	0.35	Direct
11.	People for Animal	Clause (iv) of Schedule VII of the Companies Act, 2013:- animal welfare.	Delhi	0.13	0.13	0.13	Direct
12.	World Wide Fund for nature	Clause (iv) of Schedule VII of the Companies Act, 2013:- Ensuring environmental sustainability	Delhi	0.10	0.10	0.10	Direct

*Represents the amount contributed.

V.C. Sehgal
Chairman (CSR Committee)

Pankaj Mital
Whole-time Director

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on financial year ended on March 31, 2019
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 Fintech Pvt. Ltd. (formerly 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 business activities contributing 10% or more of 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	72.0%
Polymer Products	29302	26.4%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
1.	MSSL Mauritius Holdings Limited C/o. Ocorian Corporate Services (Mauritius) 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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
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)
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.	Motherson Polymers Compounding Solutions 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. (SMPL) 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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
14.	Motherson Techno Precision GmbH (formerly Motherson Orca Precision Technology GmbH) Carl-Zeiss-Strasse 1 78073 Bad Duerrheim Germany	N.A.	Subsidiary through MSSL GmbH	100%	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)
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 Techno Precision GmbH	100%	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 (FZE) Executive Desk, Q1-05-138/A, P.O. Box -9566, Sharjah (UAE)	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	100%	2(87)(ii)
21.	Motherson Elastomers Pty. Ltd. 48-86 Powell Street, Bendigo, Victoria, 3550, Australia	N.A.	Subsidiary through MSSL Australia Pty Ltd	100%	2(87)(ii)
22.	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)
23.	MSSL Global RSA Module Engineering Ltd. 7 Forbes Street, Midstream Estate, Ekurhuleni, Gauteng, 1692, South Africa	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
24.	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)
25.	Vacuform 2000 (Pty) Ltd. 155 Van Eden Crescent, Rosslyn, Pretoria, South Africa	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	51%	2(87)(ii)
26.	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)
27.	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)
28.	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)
29.	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)
30.	MSSL Wiring System Inc. 8640 East Market Street, Howland Township, Warren, OH 44484, United States	N.A.	Subsidiary through MSSL Consolidated Inc.	100%	2(87)(ii)
31.	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)
32.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
33.	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)
34.	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)
35.	MSSL Manufacturing Hungary Kft Szabadság utca 35, 9245 Mosonszolnok, Hungary	N.A.	Subsidiary through MSSL GmbH	100%	2(87)(ii)
36.	Motherson Air Travel Pvt. Ltd. Moyne Lower, Old Dublin Road Enniscorthy, Ireland	N.A.	Subsidiary through MSSL Mideast (FZE)	100%	2(87)(ii)
37.	MSSL Estonia WH OÜ Harju maakond, Tallinn, Lasnamaelinnaosa, Lootsatn 8, 11415, Estonia	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
38.	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)
39.	Samvardhana Motherson Automotive Systems Group B.V. (SMRP B.V.) Hoogoorddreef 15, 1101BA Amsterdam, Postbus 11063, 1001 GB Amsterdam	N.A.	Subsidiary through Samvardhana Motherson Global Holdings Limited (SMGHL)	- 69% held by SMGHL -31% held by SMPL	2(87)(ii)
40.	Samvardhana Motherson Reflectec Group Holdings Ltd. 44 Esplanade, St Helier, Jersey, JE4 9WG	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	98.5%	2(87)(ii)
41.	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)
42.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
43.	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)
44.	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. (SMR Cyprus)	-51% held by SMR Cyprus -49% held by the Company	2(87)(ii)
45.	SMR Automotive Systems France S.A. 154, avenue du Lys, CS 40260, 77198 Dammarie-Les-Lys Cedex, France	N.A.	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	2(87)(ii)
46.	SMR Automotive Mirror Technology Holding Hungary Kft (SMR Hungary Kft) Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary	N.A.	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	2(87)(ii)
47.	SMR Patents S.aR.L. 6, rue Eugene Ruppert L-2453, Luxembourg	N.A.	Subsidiary through SMR Automotive Mirror Parts and Holdings UK Ltd.	100%	2(87)(ii)
48.	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)
49.	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)
50.	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)
51.	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)
52.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
53.	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)
54.	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)
55.	SMR Holding Australia Pty Ltd. 18, 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)
56.	SMR Automotive Australia Pty. Ltd. 18, Sherriffs Road (corner of Aldershot Road), Lonsdale, South Australia 5160, Australia	N.A.	Subsidiary through SMR Holding Australia Pty Ltd.	100%	2(87)(ii)
57.	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% held by SMR Cyprus -0.06% held by SMR Hungary kft.	2(87)(ii)
58.	SMR Automotive Modules 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	100%	2(87)(ii)
59.	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)
60.	SMR Hyosang Automotive Ltd. 192-6, Chunui-Dong, Wonmi-Ku, Bucheon City, Kyunggi-Do, South Korea	N.A.	Subsidiary through SMR Automotive Modules Korea Ltd.	100%	2(87)(ii)
61.	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)

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62.	SMR Automotive Systems Spain S.A.U. (SMR Spain) Poligono Industrial Valdemuel, S/n E-50290 Epila/Zaragoza, Spain	N.A.	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	100%	2(87)(ii)
63.	SMR Automotive Vision Systems Mexico S.A. de C.V. Circuito Exportacion 133, Parque Industrial Tres Naciones 2° Etapa, Mex-78395 San Luis Potosi	N.A.	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH (SMR Germany)	-64.68% held by SMR Germany -35.32% held by SMR Spain	2(87)(ii)
64.	SMR Automotive Servicios Mexico S.A. de C.V. 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)
65.	Samvardhana Motherson Corp Management Shanghai Co. Ltd 2606B Soho Exchange, 299 Tongren Road, Shanghai, 200040, China	N.A.	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	100%	2(87)(ii)
66.	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)
67.	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)
68.	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)
69.	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)
70.	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)

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71.	SMR Automotive (Langfang) Co. LTD #4 Bohai Road, Modern Industrial Park, Xianghe, Langfang, Hebei, China	N.A.	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	2(87)(ii)
72.	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)
73.	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)
74.	Samvardhana Motherson Peguform GmbH Am Germanenring 3 63486 Bruchköbel, Germany	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	100%	2(87)(ii)
75.	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)
76.	SMP Deutschland GmbH Schlossmattenstraße 18 79268 Bötzingen, Germany	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH (SMP)	-94.80% held by SMP -5.20% held by SMGHL	2(87)(ii)
77.	SMP Logistik Service GmbH Schloßmattenstraße 18 79268 Bötzingen, Germany	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)
78.	SMP Automotive Solutions Slovakia s.r.o. Matúškovo 1586 92501 Matúškovo, Slovakia	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)
79.	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% plus 1 share	2(87)(ii)

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80.	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)
81.	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)
82.	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)
83.	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)
84.	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)
85.	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)
86.	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%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
87.	SMP Automotive Produtos Automotivos do Brasil Ltda. Rua Sebastião Souza Côrtes 1.130, Rua 1, Quadra C2, Campo Largo de Roseira Sao Jose dos Pinhais CEP 83090-600 Curitiba, Brazil	N.A.	Subsidiary through SMP Automotive Technology Iberica S.L.	100%	2(87)(ii)
88.	SMP Automotive Exterior GmbH Ludwig-Erhard-Str. 1, 84069 Schierling	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
89.	Samvardhana Motherson Innovative Autosystems B.V. & Co.KG Am Germanenring 3 63486 Bruchköbel, Germany	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
90.	Samvardhana Motherson Innovative Autosystems Holding Company BV Autopista, Hoogoorddreef 15 1101BA Amsterdam Postbus 11063, 1001 GB Amsterdam	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
91.	SM Real Estate GmbH Am Germanenring 3 63486 Bruchköbel	N.A.	Subsidiary through SMP Automotive Exterior GmbH (SMP Exterior)	-94.80% held by SMP Exterior -5.20% held by SMGHL	2(87)(ii)
92.	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.	100%	2(87)(ii)
93.	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)
94.	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)
95.	Motherson Innovations Deutschland GmbH Hedelfinger Strasse 60 70327 Stuttgart, Germany	N.A.	Subsidiary through Motherson Innovations Company Limited	100%	2(87)(ii)

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96.	Motherson Innovations LLC c/o Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801	N.A.	Subsidiary through Motherson Innovations Company Limited	100%	2(87)(ii)
97.	Motherson Ossia Innovations LLC c/o Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801	N.A.	Subsidiary through Motherson Innovations LLC	51%	2(87)(ii)
98.	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)
99.	SMR Automotive Industries RUS Limited Liability Company Nevsky Plaza 55, let A, NevskyProspect, St. Petersburg, 191025, Russia	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft.	100%	2(87)(ii)
100.	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)
101.	Modulos Ribera Alta S.L.U Crta. De Logroño, km 27,5. Figueruelas. Zaragoza	N.A.	Subsidiary through Celulosa Fabril (Cefa) S.A.	100%	2(87)(i)
102.	Motherson Innovations Lights GmbH & Co KG Theodor-Körner-Str. 14a 83301 Traunreut	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
103.	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)
104.	PKC Group Oy Bulevardi 7, FI-00120 Helsinki Finland	N.A.	Subsidiary through MSSL Estonia WH OU	100%	2(87)(ii)
105.	PKC Wiring Systems Oy Vihikari 10, FI-90440 Kempele Finland	N.A.	Subsidiary through PKC Group Oy	100%	2(87)(ii)
106.	PKC Netherlands Holding B.V. Spoorhaven 88, 2651 AV Berkel en Rodenrijs, The Netherlands	N.A.	Subsidiary through PKC Group Oy	100%	2(87)(ii)

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107.	PKC Group Poland Holding Sp. z o.o. Al. Jana Pawła II 22 00-133 Warszawa, Poland	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
108.	PKC Wiring Systems Llc Šalinačka bb, 11300 Smederevo Serbia	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
109.	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)
110.	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)
111.	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)
112.	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	100%	2(87)(ii)
113.	Project Del Holding S.a.r.l. (Project Del) 33, rue du Puits Romain, L-8070 Bertrange Grand-Duchy of Luxembourg	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
114.	PK Cables do Brasil Industria e Comercio Ltda Rua Estrada da Graciosa 803 - Atuba 82840 - 360 - Curitiba PR - Brasil	N.A.	Subsidiary through PKC Wiring Systems Oy. (PKC Wiring)	-97.19% held by PKC Wiring -2.81% held by Project Del	2(87)(ii)
115.	PKC Eesti AS Lõõtsa 8 11415 Tallinn Estonia	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
116.	TKV-sarjat Oy (TKV) Vihikari 10 FI-90440 Kempele Finland	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)

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117.	PKC SEGU Systemelektrik GmbH Am Eisberg 14 D-36456 Barchfeld Germany	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
118.	PK Cables Nederland B.V. Spoorhaven 88 in Berkel en Rodenrijs, The Netherlands	N.A.	Subsidiary through PKC Netherlands Holding B.V.	100%	2(87)(ii)
119.	Groclin Luxembourg S.àr.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)
120.	PKC Vehicle Technology (Suzhou) Co., Ltd. Block 1, Unit 502-503 Ascendas Xin Su Industry Square I NO.5 Xinghan Street SIP Suzhou, Jiangsu Province Postal code: 215021 P.R.China	N.A.	Subsidiary through PKC Group APAC Ltd.	100%	2(87)(ii)
121.	AEES Inc. 36555 Corporate Drive Suite 300, Farmington Hills, MI 48331 USA	N.A.	Subsidiary through PKC Group USA Inc.	100%	2(87)(ii)
122.	PKC Group Lithuania UAB J. Janonio g. 4 LT-35101 Panevezys Lithuania	N.A.	Subsidiary through PKC Eesti AS	100%	2(87)(ii)
123.	PKC Group Poland Sp. z o.o. ul. Radomska 86 27-200 Starachowice Poland	N.A.	Subsidiary through PKC Eesti AS	100%	2(87)(ii)
124.	OOO AEK Shosse Gornjakov, 34 186930, Kostomuksha Karelia, Russia	N.A.	Subsidiary Through PKC Eesti AS	-98.06% held by PKC Eesti AS -1.94% held by TKV	2(87)(ii)
125.	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)
126.	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% held by T.I.C.S Corporation -1% held by AEES Inc.	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
127.	T.I.C.S. Corporation c/o AEES Inc. 36555 Corporate Drive Suite 300 Farmington Hills, MI 48331 USA	N.A.	Subsidiary through AEES Inc.	100%	2(87)(ii)
128.	Fortitude Industries Inc. 7200 County Route 70A, Hornell, NY 14843, USA	N.A.	Subsidiary through AEES Inc.	100%	2(87)(ii)
129.	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.	100%	2(87)(ii)
130.	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.	100%	2(87)(ii)
131.	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.	100%	2(87)(ii)
132.	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.	100%	2(87)(ii)
133.	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.	100%	2(87)(ii)

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134.	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.	100%	2(87)(ii)
135.	PKC Group de Piedras Negras, S. de R.L. de C.V. Libramiento G. Manuel Pérez Treviño Col. Parque Industrial Amistad PiedrasNegras, Coahuila, Mexico. C.P. 26080	N.A.	Subsidiary through Project Del Holding S.a.r.l.	100%	2(87)(ii)
136.	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% held by Project Del -0.03% held by TKV	2(87)(ii)
137.	Motherson Rolling Stock Systems GB Limited Albany Road, Gateshead Tyne and Wear, NE8 3At	N.A.	Subsidiary through Kabel Technik Polska Sp. z.o.o	100%	2(87)(ii)
138.	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)
139.	PKC Vechicle Technology (Hefei) Co, Ltd. No. 62 Shixin Road, Economic Development Area, Hefei City, Anhui Province, China Post Code: 230000	N.A.	Subsidiary through PKC Group APAC Limited	50%	2(87)(i)
140.	Shangdong Huakai-PKC Wire Harness Co., Ltd. No 1368 Zhengtai Road, 2nd building, 4th floor, Fangzi Dustrict, Weifang City, Shandong Province, China	N.A.	Subsidiary through Jiangsu Huakai-PKC Wire Harness Co., Ltd	100%	2(87)(i)

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141.	Shenyang SMP Automotive Plastic Components Co. Ltd. No. 118, Jianshe Road, Dadong District, Shen Yang, Liaoning Province	N.A.	Subsidiary through Changchun Peguform Automotive Plastics Technology Co. Ltd.	100%	2(87)(ii)
142.	Tianjin SMP Automotive Component Company Limited 9-2-508, Yijing Apartment, northeast of intersection between Central Avenue and East Fifth Avenue, Pilot Free Trade Zone (Airport Economic Zone), Tianjin	N.A.	Subsidiary through Changchun Peguform Automotive Plastics Technology Co. Ltd.	100%	2(87)(ii)
143.	SMRC Automotive Interiors Management B.V. (SMRC Interiors) Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRP B.V.	100%	2(87)(ii)
144.	SMRC Automotive Holdings B.V. Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRP B.V.	-85.26% held by SMRP B.V. -14.74% held by SMRC Interiors)	2(87)(ii)
145.	SMRC Automotive Holdings Netherlands B.V. Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRC Automotive Holdings B.V.	100%	2(87)(ii)
146.	SMRC Automotives Techno Minority Holdings B.V. Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
147.	SMRC Smart Automotive Interior Technologies USA, LLC Corporation Trust Center, 1209, Orange Street, Wilmington, Delaware 19801, USA	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
148.	SMRC Automotive Modules France SAS Rue Léon Duhamel, 62440 Harnes, France	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
149.	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. Plaza Elías Ahujas, nº 1 A, Edificio Puerta Grande, 2ª Planta, Oficina 6, 11500 El Puerto de Santa María, Cádiz.	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
150.	SMRC Automotive Interiors Spain S.L.U. Plaza Elías Ahujas, nº 1 A, Edificio Puerta Grande, 2ª Planta, Oficina 6, 11500 El Puerto de Santa María, Cádiz.	N.A.	Subsidiary through Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	100%	2(87)(ii)
151.	SMRC Automotive Interior Modules Croatia d.o.o. Jankomir 25, Zagreb, Croatia	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
152.	Samvardhana Motherson Reydel Autotecc Morocco SAS Commandement Malaliyine Commune Sadena, Douar Dechriyine Lieu-Dit Kherbat Zekaria, Tétouan, Morocco	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
153.	SMRC Automotive Technology RU LLC 1st Avtomobilny proyezd, Bld 7, 248926 Kaluga, Kaluga Region, Russian Federation	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
154.	SMRC Smart Interior Systems Germany GmbH Rheinstrasse 15, 14513 Teltow, Germany	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
155.	SMRC Automotive Interiors Products Poland SA C/ Vistra Corporate Services, 27 Grundnia 3, 61-737 Poznan, Poland	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
156.	SMRC Automotive Solutions Slovakia s.r.o. Dolne Hony 2, 949 01 Nitra, Slovakia	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
157.	SMRC Automotive Holding South America B.V. Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
158.	SMRC Automotive Modules South America Minority Holdings B.V. Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
159.	SMRC Automotive Tech Argentina S.A. Suipacha 1111, 18th floor City of Buenos Aires Argentina	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	- 90% held by SMRC Automotive Holding South America B.V. - 10% held by SMRC Automotive Modules South America Minority Holdings B.V.	2(87)(ii)
160.	SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda. Avenida Orlanda Bergamo, 1062 Cumbica, 07.232-151 Guarulhos, São Paulo, Brazil	N.A.	Subsidiary through SMRC Automotive Holding South America B.V.	100%	2(87)(ii)
161.	SMRC Automotive Products India Pvt. Ltd. Plot #G34, Survey No. 15 PT & 16PT, Sipcot Industrial Park, Vadagal Village, Sriperumpudu taluk, Kancheepuram district, Chennai, Tamilnadu 602 105, India	U34101TN2013FTC091389	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
162.	SMRC Automotive Smart Interior Tech (Thailand) Ltd. No. 62 Moo 4 Eastern Seaboard Industrial Estate (Rayong), Tambol Pluakdaeng, Amphur Pluakdaeng, Rayong Province 21140, Thailand	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
163.	PT SMRC Automotive Technology Indonesia Gd. Menara Kadin Indonesia 30th Floor, Jl. HR. Rasuna Said Block X-5 Kav 2-3, East Kuningan, Setiabudi, South Jakarta12950, Indonesia	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	- 70% held by SMRC Automotive Holdings Netherlands B.V. - 30% held by SMRC Automotives Techno Minority Holdings B.V.	2(87)(ii)
164.	SMRC Automotive Interiors Japan Ltd. 6-145, Hanasaki-cho, Nishi-ku, Yokohama, Kanagawa, Japan	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
165.	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd. Suite 603, Tower B, Sunland International, N. 999 Zhouhai Road, Pudong New district, Shanghai, 200137, China	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
166.	Yujin SMRC Automotive Techno Corp. 927-14 Osin-ro, Sinam-myeon, Yesan-gun, 340-864 Chungcheongnam-do, South Korea	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	50.9%	2(87)(ii)
167.	SMRC Automotives Technology Phil Inc. No. 2 American Road, Greenfield Autopark, Sta. Rosa, Laguna, Philippines	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
168.	Saks Ancillaries Limited Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051	U74899MH1985PLC285656	Associate	40.01%	2(6)
169.	Kyungshin Industrial Motherson Pvt. Ltd. 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi -110044	U55101DL1997PTC090104	Joint Venture	50%	2(6)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (as on March 31, 2019)	% of shares held	Applicable Section
170.	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	49%	2(6)
171.	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. Xizhou Industrial Estate, Xiangshan, Zhejiang Province, 315722, P.R. China	N.A.	Joint Venture	50%	2(6)
172.	Chongqing SMR Huaxiang Automotive Products Ltd. N° 98 Lvchang Avenue of Xipong Town, Jiulongpo District, Chongqing, 401326 China	N.A.	Joint Venture.	50%	2(6)
173.	Tianjin SMR Huaxiang Automotive Parts Co., Ltd. NO.4 Shengda Erzhi Road, Saida Industrial Area, Xiqing Economic and Technical development District, Tianjin, China	N.A.	Joint Venture.	50%	2(6)
174.	Eissmann SMP Automotive Interieur Slovakia s.r.o. Lesna 880/1, Holic 908 051	N.A.	Joint Venture	49%	2(6)
175.	Re-time Pty Limited Suite 6, 15 King William Road, Unley SA 5061, Australia	N.A.	Associate	35%	2(6)
176.	Hubei Zhengao PKC Automotive Wiring Company Ltd. No.9, Dongfeng Road, Maojian District, Shiyan City, Hubei Province, P.R. China	N.A.	Associate	40%	2(6)

Note:- % of shares include shares held through nominee(s).

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 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019) #				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	11086818	0	11086818	0.53	16630226	0	16630226	0.53	0.00
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 Corporate	703833769	0	703833769	33.43	1055750653	0	1055750653	33.43	0.00
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):-	**714920587**	**0**	**714920587**	**33.96**	**1072380879**	**0**	**1072380879**	**33.96**	**0.00**
(2) Foreign									
a) NRIs - Individuals	48776935	0	48776935	2.32	73165402	0	73165402	2.32	0.00
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	535826844	0	535826844	25.45	803740265	0	803740265	25.45	0.00
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):-	**584603779**	**0**	**584603779**	**27.77**	**876905667**	**0**	**876905667**	**27.77**	**0.00**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**1299524366**	**0**	**1299524366**	**61.73**	**1949286546**	**0**	**1949286546**	**61.73**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	177434310	0	177434310	8.43	267736246	0	267736246	8.48	0.05
b) Alternate Investment Fund	1820285	0	1820285	0.09	9453258	0	9453258	0.30	0.21
c) Banks / FI	7702416	31317	7733733	0.37	21186746	46975	21233721	0.67	0.30
d) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
f) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
g) Insurance Companies	11771194	0	11771194	0.57	8359195	0	8359195	0.26	(0.31)
h) FIIs /FPIs	395269167	0	395269167	18.78	571977702	12804	571990506	18.11	(0.67)

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2018)				No. of Shares held at the end of the year (as on 31.03.2019) #				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others (Foreign Nationals)	525	0	525	0.00	1237	0	1237	0.00	0.00
Sub-total (B)(1):-	**593997897**	**31317**	**594029214**	**28.22**	**878714384**	**59779**	**878774163**	**27.83**	**(0.39)**
2. Non- Institutions									
a) Bodies Corporation									
i) Indian	50881392	238584	51119976	2.43	58582820	357806	58940626	1.87	(0.56)
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	90112526	9325530	99438056	4.72	151375839	11165544	162541383	5.15	0.43
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	45778581	256285	46034866	2.19	75534316	615083	76149399	2.41	0.22
c) NBFCs registered with RBI	354458	0	354458	0.02	441797	0	441797	0.01	(0.01)
d) Others (specify)									
i) Trust & Foundations	6692301	73	6692374	0.32	15796602	109	15796711	0.50	0.18
ii) Clearing Member	1212019	0	1212019	0.06	4484622	0	4484622	0.14	0.08
iii) Non Resident Indian	6567457	8536	6575993	0.31	11042526	300	11042826	0.35	0.04
iv) IEPF	308169	0	308169	0.01	476164	0	476164	0.02	0.01
Sub-total (B)(2):-	**201906903**	**9829008**	**211735911**	**10.06**	**317734686**	**12138842**	**329873528**	**10.45**	**0.39**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**795904800**	**9860325**	**805765125**	**38.27**	**1196449070**	**12198621**	**1208647691**	**38.27**	**0.00**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	**2095429166**	**9860325**	**2105289491**	**100.00**	**3145735616**	**12198621**	**3157934237**	**100.00**	**0.00**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 01.04.2018)			Shareholding at the end of the year (as on 31.03.2019) #			
		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	% change in share holding during the year
1	Samvardhana Motherson International Ltd	703833769	33.43	2.99	1055750653	33.43	2.29	0.00
2	Sumitomo Wiring Systems Ltd.	528424861	25.10	0.00	792637291	25.10	0.00	0.00
3	Vivek Chaand Sehgal	48776935	2.32	0.00	73165402	2.32	0.00	0.00
4	Geeta Soni	5740219	0.27	0.00	8610328	0.27	0.00	0.00
5	Nilu Mehra	5246460	0.25	0.00	7869690	0.25	0.00	0.00
6	Renu Sehgal	100057	0.00	0.00	150085	0.00	0.00	0.00
7	Laksh Vaaman Sehgal	82	0.00	0.00	123	0.00	0.00	0.00
8	H. K. Wiring systems Limited	5106901	0.24	0.00	7660351	0.24	0.00	0.00
9	Radha Rani Holdings Pte Ltd	2295082	0.11	0.00	3442623	0.11	0.00	0.00
	Total	**1299524366**	**61.73**	**2.99**	**1949286546**	**61.73**	**2.29**	**0.00**

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

	Shareholding at the beginning of the year (as on 01.04.2018)		Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1299524366	61.73	1299524366	61.73
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): - Allotment of Bonus Shares	649762182		1949286548	61.73
At the end of the year			1949286548	61.73

Note #: -

The Company has allotted Bonus Shares to all the shareholders holding shares as on October 31, 2018 (i.e. Record Date), including promotes, on November 01, 2018 in the ratio of 1:2 (i.e. one bonus share against two equity shares).

(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 01-04-2018		Cumulative Shareholding at the end year 31-03-2019	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	ICICI Prudential Value Fund – Series 2	59447342	2.82	101401938	3.21
2.	Europacific Growth Fund	33395000	1.59	33195000	1.05
3.	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund	31258376	1.48	36225691	1.15
4.	SBI Magnum Global Fund	27794407	1.32	39818902	1.26
5.	Reetha Shetty	20547437	0.98	30829955	0.98
6.	ICICI Prudential Life Insurance Company Limited	20377111	0.97	18180700	0.58
7.	Tree Line Asia Master Fund (Singapore) Pte. Ltd.	13860000	0.66	23040000	0.73
8.	Hermes Investment Funds Plc on Behalf of Hermes Global Emerging Markets Fund	13262441	0.63	20026364	0.63
9.	UTI Nifty Next 50 Indux Fund	12082139	0.57	21735102	0.69
10.	Reliance Capital Trustee Co Ltd A/C	11742377	0.56	26248393	0.83

Note :

The shares of the Company are traded on a daily basis. 99.61% of the shares are held in dematerialized form and hence the date wise increase/decrease in the shareholding is not indicative. Shareholding is consolidated based on permanent account number (PAN) of the shareholder. Further, the Company has allotted Bonus Shares to all the shareholders on November 1, 2018 in the ratio of 1:2 (i.e. one bonus share against two equity shares).

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Vivek Chaand Sehgal	48776935	2.32	01.04.2018			48776935	2.32
				01.11.2018	24388467	Bonus Shares	73165402	2.32
		73165402	2.32	31.03.2019			73165402	2.32
2.	Mr. Sushil Chandra Tripathi, IAS (Retd.)	0	0.00				0	0.00

Sl. No	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total shares of the Company				No. of Shares	% of total shares of the Company
3.	Mr. Shunichiro Nishimura*	0	0.00				0	0.00
4.	Mr. Arjun Puri	2500	0.00	01.04.2018			2500	0.00
				01.11.2018	1250	Bonus Shares	3750	0.00
		3750	0.00	31.03.2019			3750	0.00
5.	Mr. Gautam Mukherjee	0	0.00				0	0.00
6.	Ms. Geeta Mathur	6750	0.00	01.04.2018			6750	0.00
				01.11.2018	3375	Bonus Shares	10125	0.00
		10125	0.00	31.03.2019			10125	0.00
7.	Mr. Naveen Ganzu	141301	0.01	01.04.2018			141301	0.01
				01.11.2018	70650	Bonus Shares	211951	0.01
		211951	0.01	31.03.2019			211951	0.01
8.	Ms. Noriyo Nakamura	0	0.00				0	0.00
9.	Mr. Laksh Vaaman Sehgal	82	0.00	01.04.2018			82	0.00
				01.11.2018	41	Bonus Shares	123	0.00
		123	0.00	31.03.2019			123	0.00
10.	Mr. Pankaj Mital	65182	0.00	01.04.2018			65182	0.00
				01.10.2018	1000	Purchase from open market	66182	0.00
				01.11.2018	33091	Bonus Shares	99273	0.00
		99273	0.00	31.03.2019			99273	0.00
11.	Mr. G.N. Gauba	24300	0.00	01.04.2018			24300	0.00
				01.11.2018	12150	Bonus Shares	36450	0.00
		36450	0.00	31.03.2019			36450	0.00
12.	Mr. Alok Goel $	50	0.00	01.04.2018			50	0.00
				01.11.2018	25	Bonus Shares	75	0.00
		75	0.00	31.03.2019			75	0.00

* Appointed as Director on May 23, 2018.
$ Designated as Company Secretary on April 2, 2018.

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 at the beginning of the financial year (01.04.2018)				
i) Principal Amount	11,489	58	0	11,547
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	4	0	0	4
Total (i+ ii+ iii)	11,493	58	0	11,551
Change in Indebtedness during the financial year				
• Addition	0	5	0	5
• Reduction	(198)	0	0	(198)
Net Change	(198)	5	0	(193)
Indebtedness at the end of the financial year (31.03.2019)				
i) Principal Amount	11,294	63	0	11,357
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	2	0	0	2
Total (i+ii+iii)	11,296	63	0	11,359

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 & Chief Operating Officer

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	22,077,981
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,528,333
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify	Nil
5.	Others, please specify:- -Contribution to provident fund/ other funds	2,223,025
	Total	**25,829,339**
	Ceiling as per the Act	613,213,881*

*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	700,000	730,000	820,000	770,000	350,000	3,370,000
• Commission	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	17,500,000
• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
Total (1)	4,200,000	4,230,000	4,320,000	4,270,000	3,850,000	20,870,000
Name	**Mr. Vivek Chaand Sehgal**	**Mr. Toshimi Shirakawa#**	**Ms. Noriyo Nakamura**	**Mr. Laksh Vaaman Sehgal**	**Mr. Shunichiro Nishimura#**	
Other Non-Executive Directors • Fee for attending board / committee meetings • Commission • Others, please specify	Nil	Nil	Nil	Nil	Nil	
Total (2)	Nil	Nil	Nil		Nil	Nil
Total (1+2)						**20,870,000**
Ceiling as per the Act						122,642,776**

**Being 1% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013.

Being directors during part of the year.

C. Remuneration to other Key Managerial Personnel

Mr. G.N. Gauba: Chief Financial Officer

Sl. No.	**Particulars of Remuneration**	**Total Amount (₹)**
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18,428,197
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,287,373
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify...	Nil
5.	Others, please specify - Contribution to provident fund/ other funds	1,886,275
	Total	**21,601,845**

Mr. Alok Goel: Company Secretary

Sl. No.	Particulars of Remuneration	Total Amount (₹)
1.	Gross salary	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7,093,065
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	376,202
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify...	Nil
5.	Others, please specify - Contribution to provident fund/ other funds	492,680
	Total	**7,961,947**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There was no penalty, punishment or compounding of offences during the year ended March 31, 2019.

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

To
The Members
Motherson Sumi Systems Limited

I 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, 2019 ("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:

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

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

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

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

(iv) 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;

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

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

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended to date.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

(d) 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);

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not applicable to the Company during the Audit Period);

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

(h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

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

I further report that, 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.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Director(s), 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 and the dissent notes, if any, have been duly recorded in the Minutes Book.

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

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, through its step-down subsidiary Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) has successfully completed of the acquisition of Reydel Automotive Group.

2. The Company has issued bonus shares 105,26,44,746 Equity shares of ₹ 1/- each, credited as fully paid up share to the holders of the existing equity shares of the company whose names appear in the Register of members as on the record date i.e. 31st October 2018, in the proportion on 1 (One) equity share for every 2 (Two) equity shares held by them.

3. The Company through its subsidiary Motherson Rolling Stock Systems GB Limited has signed a definitive agreement with Bombardier Transportation (Rolling Stock) UK Ltd. ("Bombardier") to acquire Bombardier's assets in connection with the production and installation of electrical components and systems for applications in the rail industry, comprising among others the manufacturing of wiring harnesses, panel and cabinet build and electromechanical assemblies in Derby, UK.

4. The Company has passed following resolutions through Postal Ballot during the year:

   (a) Increase of its Authorised Share Capital from ₹ 312,30,00,000/- to ₹ 630,00,00,000/- by creation of 3177000000 equity shares of ₹ 1 each

   (b) issuance of Bonus Shares to the shareholders of the Company in the ration of 1 (One) Equity Share for every 2 (Two) shares held.

For SGS ASSOCIATES
Company Secretaries

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

Date: 27th May 2019
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 check 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: 27th May 2019

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 of overall interest of all its stakeholders.

Corporate Governance is all about maintaining a valuable relationship and trust with all 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.

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. Stakeholders' interest are taken into account, before making any business decision. The Company as well as its subsidiaries have adopted a Code of Conduct for its Directors, employees and officers.

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. The Company has the distinction of consistently rewarding its shareholders over the past twenty five eventful years from its Initial Public Offering.

The Company is in compliance with the requirements stipulated Regulations 17 to 27 and Regulation 46(2) read with Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015 (the **"Listing Regulations"**), as applicable, with regard to Corporate Governance. This report is prepared in accordance with the provisions of SEBI Listing Regulations.

BOARD OF DIRECTORS

As on March 31, 2019, the Company has ten (10) Directors, of which nine (9) are Non-executive Directors including five (5) Independent Directors. The Board has two (2) Women Directors, one being independent and other being nominee of the Sumitomo Wiring Systems Limited, the Joint Venture Partner of the Company. The composition of the Board is in conformity with Regulation 17 of the 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 (10) committees across all the public companies or Chairman of more than five (5) committees across all the public listed companies as on March 31, 2019, for which confirmation has been obtained from the Directors. Chairmanships/Memberships of the Board Committees include Audit Committee and Stakeholders Relationship Committee.

The name and categories of Directors on the Board and number of Directorships in other public companies and Committee Chairmanships/Memberships held by them as on March 31, 2019 are given below:

Name of the Director	Executive/ Non-executive/ Independent	No. of Directorship in other public Companies@	Committee memberships in public Companies@	Committee Chairmanships in public Companies
Mr. V. C. Sehgal * DIN 00291126	Non-executive Chairman	5	Nil	Nil
Mr S.C. Tripathi, IAS (Retd.) DIN 00941922	Independent Director	8	9	2
Mr. Shunichiro Nishimura $ DIN 08138608	Non-executive Director	1	1	Nil
Mr. Arjun Puri DIN 00211590	Independent Director	3	4	1
Mr. Gautam Mukherjee DIN 02590120	Independent Director	1	3	1

Name of the Director	Executive/ Non-executive/ Independent	No. of Directorship in other public Companies@	Committee memberships in public Companies@	Committee Chairmanships in public Companies
Ms. Geeta Mathur DIN 02139552	Independent Director	8	9	4
Mr. Naveen Ganzu DIN 00094595	Independent Director	Nil	Nil	Nil
Mr. Laksh Vaaman Sehgal* DIN 00048584	Non-executive Director	6	1	Nil
Ms. Noriyo Nakamura $ DIN 06809512	Non-executive Director	Nil	1	Nil
Mr. Pankaj Mital DIN 00194931	Whole-time Director & Chief Operating Officer	2	1	Nil

* Nominee Director(s) of Samvardhana Motherson International Limited (SAMIL).

$ Nominee Director(s) of Sumitomo Wiring Systems Limited (SWS).

@ Pursuant to Regulation 26 of Listing Regulations the companies mentioned here in are public limited companies, whether listed or not, and does not include other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013.

Notes:

a) As required by Regulation 26 of Listing Regulations, the disclosure includes memberships/ chairpersonship of the Audit Committee and Stakeholders Relationship Committee in Indian public companies (listed and unlisted).

b) Membership of the Directors in the Committees is including Chairmanship.

c) None of the other Director(s) are related to each other except Mr. V. C. Sehgal and Mr. Laksh Vaaman Sehgal. Mr. V. C. Sehgal is father of Mr. Laksh Vaaman Sehgal.

d) Mr. Shunichiro Nishimura was appointed as Director in place of Mr. Toshimi Shirakawa effective May 23, 2018.

e) The Company has received declarations of independence as prescribed under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 from the Independent Directors. All requisite declarations were placed before the Board and upon perusal of such declarations, the Board viewed and agreed that the independent directors fulfill the conditions specified in Listing Regulation and are independent of the management.

f) The maximum tenure of Independent Directors is in compliance with the Companies Act, 2013.

Further, the name of other listed companies where the directors of the Company are also director and category of directorship is as under:

Name of the Director	Directorship in other Listed Company (as on March 31, 2019)	Category of directorship
Mr. V. C. Sehgal	Sun Pharmaceutical Industries Limited	Independent Director
Mr S.C. Tripathi, IAS (Retd.)	Gammon Infrastructure Projects Limited	Independent Director
	Ginni Filaments Limited	Independent Director
	Reliance Nippon Life Asset Management Ltd.	Independent Director
	Religare Enterprises Limited	Independent Director
Mr. Shunichiro Nishimura	Nil	N.A.
Mr. Arjun Puri	Nil	N.A.
Mr. Gautam Mukherjee	Nil	N.A.

Name of the Director	Directorship in other Listed Company (as on March 31, 2019)	Category of directorship
Ms. Geeta Mathur	NIIT Limited	Independent Director
	JTEKT India Limited (formerly Sona Koyo Steering Systems Ltd.)	Independent Director
	IIFL Holdings Limited	Independent Director
Mr. Naveen Ganzu	Nil	N.A.
Mr. Laksh Vaaman Sehgal	Nil	N.A.
Ms. Noriyo Nakamura	Nil	N.A.
Mr. Pankaj Mital	Nil	N.A.

Attendance at Board Meeting 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.

Seven (7) Board Meetings were held during the financial year 2018-19 and gap between two meetings did not exceed 120 (one hundred and twenty) days. The necessary quorum was present for all meetings. The said meetings were held on: (1) April 02, 2018 (2) May 23, 2018 (3) June 02, 2018 (4) August 07, 2018 (5) September 07, 2018 (6) November 14, 2018 and (7) February 11, 2019.

The attendance record of meetings of Board of Directors is as below:

S. No.	Name of the Director	No. of Board Meetings attended	Attendance at last Annual General Meeting
1.	Mr. V. C. Sehgal	6	Yes
2.	Mr. Toshimi Shirakawa*	1	Not applicable
3.	Mr. S.C. Tripathi IAS (Retd.)	7	Yes
4.	Mr. Shunichiro Nishimura**	5	Yes
5.	Mr. Arjun Puri	7	Yes
6.	Mr. Gautam Mukherjee	7	Yes
7.	Ms. Geeta Mathur	6	Yes
8.	Mr. Naveen Ganzu	7	Yes
9.	Mr. Laksh Vaaman Sehgal	7	Yes
10.	Ms. Noriyo Nakamura	7	Yes
11.	Mr. Pankaj Mital	7	Yes

* Ceased to be director effective May 23, 2018. Meetings during tenure were 2 (two).

** Appointed as director effective May 23, 2018. Meetings during tenure were 5 (five).

Video conferencing facility was also used to facilitate Directors travelling / residing abroad or at other locations to participate in the meetings.

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

a) Quarterly results and performance of the Company.

b) Minutes of the meetings of the Board and all its committees.

c) Minutes of Meetings of the Board of the subsidiaries.

d) Materially important litigations, show cause, demand, prosecution and penalty notices.

e) Annual Operating plans, budgets and updates.

f) Development on Human Resources of the Company.

g) Other information as mentioned in Schedule II Part A of the Listing Regulations.

The details of equity shares of the Company held by the Directors as on March 31, 2019 are given below:

(A) Equity shares:

Name	Category	No. of equity shares (face value of ₹ 1 each)*
Mr. V. C. Sehgal	Non-executive Director	73,165,402
Mr. Arjun Puri	Independent Director	3,750
Ms. Geeta Mathur	Independent Director	10,125
Mr. Naveen Ganzu	Independent Director	211,951
Mr. Laksh Vaaman Sehgal	Non-executive Director	123
Mr. Pankaj Mital	Executive Director	99,273

* The above includes bonus shares allotted by the Company on November 1, 2018 in the ratio of one (1) equity share for every two (2) shares held.

(B) Equity Convertible instruments: Not applicable. The Company has no outstanding equity convertible instruments.

Meeting of Independent Directors

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

(a) review performance of non-independent directors and the Board as a whole;

(b) review performance of the Chairman of the Company, taking into account views of executive directors and non-executive directors; and

(c) assess quality, quantity and timeliness of flow of information between Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

During year under review, the Independent Directors met on March 21, 2019, *inter-alia*, to discuss the aforesaid matters. Mr. S.C. Tripathi, IAS (Retd.) as the Lead Independent Director presided the said meeting of the Independent Directors. All the Independent Directors were present at the Meeting.

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 the Senior Management, Statutory and Internal Auditors at the Board/ Committee Meetings on business and performance updates of the Company and its subsidiaries, 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.

Further, during the year, a familiarization programme for the Independent Directors was organized by the Company from March 18, 2019 to March 20, 2019. At the familiarization programme, the independent directors visited SMP's Zitlaltepac Plant and the wiring harness plant of MWSI, Monclava and SMP plant at Tuscaloosa, Alabama. All the Independent Directors attended the familiarization programme organized by the Company.

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.

Performance Evaluation of Board

In line with the Corporate Governance Guidelines of the Company, Annual Performance Evaluation was conducted for all Board Members as well as the working of the Board and its Committees. This evaluation was led by the Chairman of the Board with specific focus on the performance and effective functioning of the Board and Committees. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations.

Evaluation of the Board was based on criteria, including such as, composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance and compensation to Whole-time Director, succession planning, strategic planning, compliance enforcement etc. Evaluation of Directors was based on criteria, including such as, participation and contribution in Board and Committee meetings, equal treatment of shareholders' interest, experience and expertise to provide feedback and guidance to top management on business strategy, governance, risk, understanding of the organization's strategy, internal and external environment, etc.

Evaluation of Committees was based on criteria, including such as, adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board, etc.

The outcome of the Board evaluation for financial year 2018-19 was discussed by the Board at their meeting held in May 27, 2019.

Code of Conduct

The Company has stipulated Code of Conduct for all directors and the designated employees of the Company ("the Code"). The Code gives guidance and support needed for ethical conduct of business and compliance of law. 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. A copy of the Code been placed on the Company's website, viz.,www.motherson.com.

The Code has been circulated to the Directors and all permanent employees of the Company and its compliance is affirmed by them annually.The Members of the Board and Management personnel have affirmed compliance with the Code applicable to them during financial year ended on March 31, 2019. A declaration signed by the Whole-time Director and Chief Operating Officer is published in this Report.

Core skills, expertise and competencies identified by the Board of Directors

The Board of the Company comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its Committees. The Board members are committed to ensure that the Board is in compliance with the highest standards of corporate governance.

The table below summarize the key skills and attributes which are taken into consideration while nominating candidates to serve on the Board.

Core skills, expertise and competencies	
Financial	Leadership and management of the finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting processes or person performing similar function.
Gender, ethnic, national, or other diversity	Representation of gender, ethnic, geographic, cultural or other perspectives that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments and other stakeholders worldwide.
Global business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures and regulatory frameworks and a broad perspective on global market opportunities.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning and risk management. Demonstrated strengths in developing talent, planning succession and driving change and long term growth.
Technology	A significant background in technology, resulting in knowledge of how to anticipate technological trends, generate disruptive innovation and extend orcreate new business models.
Mergers and acquisitions	A history of leading growth through acquisitions and other business combinations, with the ability to assess 'build or buy' decisions, analyze the fit of a target with the Company's strategy and culture, accurately value transactions and evaluate operational integration plans.
Board service and governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests and observing appropriate governance practices.
Customer support function	Experience in developing strategies for customer support function, grow sales and market share, build brand awareness and enhance enterprise reputation.

COMMITTEES OF BOARD

Audit Committee

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of Listing Regulations read with Section 177 of the Companies Act, 2013. The Audit Committee of the Company comprises majority of the Independent Directors. The members of the Audit Committee met seven (7) times during financial year 2018-19. The Audit Committee, inter-alia, reviewed related party transactions, Internal Audit Report, quarterly, half-yearly and annual financial statements before submission to the Board.

The dates on which meetings were held are as follows:

(1) May 23, 2018 (2) June 02, 2018 (3) August 06, 2018 (4) September 21, 2018 (5) November 13, 2018 (6) January 18, 2019 and (7) February 11, 2019.

The maximum time gap between two consecutive meetings did not exceed 120 (one hundred and twenty) days. Also, the necessary quorum was present for all the meetings.

The composition of the Committee and attendance of each member is as 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)	1
Mr. Shunichiro Nishimura*	Member	Non-executive (Nominee of SWS)	4
Mr. Arjun Puri	Member	Independent	7
Mr. Gautam Mukherjee	Member	Independent	7
Ms. Geeta Mathur	Member	Independent	7
Mr. Laksh Vaaman Sehgal	Member	Non-executive (Nominee of SAMIL)	6

* Mr. Toshimi Shirakawa ceased to be member due to his resignation from the Board w.e.f. May 23, 2018. Thereupon, the Board reconstituted the Audit Committee and appointed Mr. Shunichiro Nishimura as member of the Committee in place of Mr. Toshimi Shirakawa.

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

(a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of section 134 of the Companies Act, 2013;

(b) Any changes in accounting policies and practices and reasons for such change;

(c) Major accounting entries involving estimates based on exercise of judgment by management;

(d) Analysis of the effects of alternative GAAP methods on the financial statements;

(e) Qualification(s), if any, in the draft audit report(s);

(f) Significant adjustments made in the financial statements arising out of audit findings;

(g) Compliance with accounting standards and applicable legal requirements relating to financial statements;

(h) Disclosure and/or approval of any related party transaction;

(i) Disclosure of contingent liabilities;

(j) The effect of regulatory and accounting initiatives as well as off-balance-sheet structures, on the financial statements;

(k) Company's earnings press releases, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies;

(l) The statement for uses/applications of funds by major category on a quarterly basis, with the financial results and annually the statement of funds utilized for purposes other than as mentioned in the offer document / prospectus / notice (if applicable); and

(m) Any other document required to be reviewed by the Committee (or a similar body) as per the applicable laws on the Company.

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

The previous Annual General Meeting (AGM) of the Company was held on August 13, 2018 and the same was attended by Mr. S.C. Tripathi, IAS (Retd.), Chairman of the Audit Committee.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company has been constituted in line with the provisions of Regulation 19 of Listing Regulations read with Section 178(1) the Companies Act, 2013.

During the financial year 2018-19, the Committee met three (3) times i.e., May 23, 2018, June 02, 2018 and November 13, 2018.

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

Name	Designation	Category	Committee meetings attended
Mr. Gautam Mukherjee	Chairman	Independent	3
Ms. Geeta Mathur	Member	Independent	3
Mr. Laksh Vaaman Sehgal	Member	Non-executive	3

The terms of reference of the Nomination and Remuneration Committee include:

a) 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;

b) Formulation of criteria for determining 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;

c) Formulation of criteria for evaluation of Independent Directors and the Board of Directors;

d) To evaluate and recommend terms of appointment of the Independent Director, on the basis of there port of performance a valuation of the Independent Director;

e) Devising a Policy on Board Diversity; and

f) Recommend to the Board, all remuneration, in whatever form, payable to senior management.

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.

Remuneration policy of the Company is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs.

The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Director. Annual increments are recommended by the Nomination and Remuneration Committee within the salary scale approved by the Board and Members and are effective April 1, of each year.

The Board of Directors, *inter-alia*, on the recommendation of the Nomination and Remuneration Committee (as may be applicable), decides the commission payable to the Independent Directors out of the profits for respective financial year and within the ceilings prescribed under the Companies Act, 2013, based on the evaluation process and considering the criteria, such as, the performance of the Company.

Criteria of Selection of Independent Directors

The Nomination and Remuneration Committee considers, *inter-alia*, the following attributes/criteria, whilst recommending to the Board the candidature for appointment as Independent Director(s):-

- Qualification, expertise and experience in their respective fields such as Information Technology Business, Scientific Research & Development, International Markets, Leadership, Financial Analysis, Risk Management and Strategic Planning, etc.
- Personal characteristics which align with the Company's values, such as integrity, accountability, financial literacy, high performance standards,etc.
- Diversity of thought, experience, knowledge, perspective and gender in the Board.
- Understanding of automotive business of the Company and growth.
- Such other criteria as prescribed in the Corporate Governance Guidelines of the Company or prescribed by the Board from time to time.

In case of appointment of Independent Directors, the Nomination and Remuneration Committee satisfies itself about the independence of the Directors vis-à-vis the Company to enable the Board to discharge its functions and duties effectively.

The Nomination and Remuneration Committee ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013.

In case of re-appointment of Independent Directors, the Board takes into consideration the performance evaluation of the Independent Directors and their engagement level.

Criteria of Making Payments to Directors, Senior Management and Key Managerial Personnel

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 salary scale approved by the members and is effective from April 01, each year.

During the financial year 2018-19, the Company paid sitting fees to its Independent Directors only for attending various meetings of the Board and Committees of the Board. The amount of sitting fee is

- ₹ 50,000 per meeting for a Board Meeting and Audit Committee Meeting; and
- ₹ 30,000 for any other Committee Meeting.

The members had 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 Companies Act, 2013. The said commission is decided each year by the Board of Directors and distributed only amongst the Independent Directors for their contribution at the Board and/or its Committees.

The details of remuneration for financial year ended March 31, 2019 for the Directors are as follows:

(a) Independent Directors (Non-executive):-

Name of the Director(s)	Commission (₹)	Sitting fee (₹)	Total (₹)
Mr. S.C.Tripathi IAS (Retd.)	35,00,000	7,00,000	42,00,000
Mr. Arjun Puri	35,00,000	7,30,000	42,30,000
Mr. Gautam Mukherjee	35,00,000	8,20,000	43,20,000
Ms. Geeta Mathur	35,00,000	7,70,000	42,70,000
Mr. Naveen Ganzu	35,00,000	3,50,000	38,50,000

(b) Whole-time Director:-

Name of the Director	Salary	Amount (₹)
Mr. Pankaj Mital	Basic salary	176,91,876
	Bonus	17,69,188
	Benefits perquisites and allowances	63,68,275
	Total	**258,29,339**

The period of service of Mr. Pankaj Mital as Whole- time Director as approved by the members is from April 1, 2017 to September 30, 2021 and can be terminated by either party upon giving three (3) month notice. Further, there is no severance fee payable or stock options issued to Mr. Pankaj Mital.

The Company does not have any stock option or equity link benefits for directors and/or employees.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company has been constituted in line with the provisions of Regulation 20 of Listing Regulations read with Section 178(5) the Companies Act, 2013. The Committee looks into shareholders' and investors' grievances. The following are members of the Committee:

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

During the financial year, one (1) meeting of the Committee was held, i.e., on November 13, 2018. All the members attended aforesaid meeting of the Committee except Mr. Pankaj Mital who could not attend the same due to pre-occupation.

The previous Annual General Meeting (AGM) of the Company was held on August 13, 2018 and the same was attended by Mr. Gautam Mukherjee, Chairman of the Stakeholders Relationship Committee.

Mr. Alok Goel, Company Secretary is the Compliance Officer with effect from April 2, 2018.

Corporate Social Responsibility Committee

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

Name	Designation	Category
Mr. V. C. Sehgal	Chairman	Non-executive
Mr. Arjun Puri	Member	Independent
Mr. Laksh Vaaman Sehgal	Member	Non-executive

During the financial year 2018-19, the meeting of the Committee was held on June 02, 2018. All the members attended the said meeting except Mr. Laksh Vaaman Sehgal who could not attend the same.

Terms of reference of the Committee:

a) To formulate and recommend to the Board, a CSR Policy and activities to be undertaken by the Company in areas or subject, specified in Schedule VII to the Companies Act, 2013;

b) To recommend amount of expenditure on CSR activities; and

c) To monitor CSR Policy of the Company.

CSR Policy of the Company is available at Company's website, viz., www.motherson.com.

Risk Management Committee

The Risk Management Committee of the Company is constituted in line with provisions of Regulation 21 of 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 risk management plan and ensuring its effectiveness. Major risks identified by business and functions are systematically addressed through mitigating actions on a continuing basis.

The following are members of the Risk Management Committee:

Name	Designation	Category
Mr. Laksh Vaaman Sehgal	Chairman	Non-executive
Ms. Geeta Mathur	Member	Independent
Ms. Noriyo Nakamura	Member	Non-executive
Mr. Pankaj Mital	Member	Executive
Mr. G.N. Gauba.	Member	Official

During the financial year 2018-19, the meeting of the Committee was held on January 18, 2019. All the members attended the said meeting.

Other Committees constituted by the Board

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

The Board of Directors has constituted a Committee of Directors for Administrative Matters to facilitate decision making required to perform various day-to-day operations of the Company. The said Committee was constituted on September 10,2012.

The following are members of the Committee:

Name	Designation	Category
Mr. Laksh Vaaman Sehgal	Chairman	Non-executive
Ms. Noriyo Nakamura	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

The terms of reference of the Committee, *inter-alia*, includes the following:

a) To open bank accounts and to authorize Directors and/or Officers to operate said accounts;

b) To authorise Directors and/or Officers to represent the Company before Government and other Authorities/Bodies;

c) To appoint Occupier for the Factory(ies) of the Company;

d) To authorise Officials of the Company to sign necessary statutory documents;

e) To authorise Director and/or Officers of the Company to acquire land and sign and execute lease/sub-lease agreements;

f) To authorise any Director and/or Officer of the Company to represent the Company at any meeting of shareholders or other stakeholders; and

g) Any other items as may be delegated by the Board from time to time.

The Committee met fourteen (14) times during the financial year 2018-19 and requisite quorum was present at each of the Committee meeting.

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

The Company has a Committee of Directors (Strategic Business Matters), which was constituted by the Board on January 31, 2014. The following are members of the Committee:

Name	Designation	Category
Mr. Laksh Vaaman Sehgal	Chairman	Non-executive
Mr. S.C. Tripathi, IAS (Retd.)	Member	Independent
Ms. Geeta Mathur	Member	Independent
Ms. Noriyo Nakamura	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

The Committee's role includes detailed review of following matters and make recommendation tothe Board:

a) Acquisition proposals, Divestment and Business re-organization proposals;

b) Business & Strategy Review;

c) Long-term financial projections and cash flow; and

d) Any other items as may be delegated by the Board.

During the financial year 2018-19, these matters were discussed at various Board Meetings in the presence of the members of Committee of Directors (Strategic Business Matters) and accordingly, no meeting of the said Committee was required to be held.

System for transfer of Shares

To expedite share transfer process in physical segment, authority has been delegated to the Share Transfer Committee. The following are the members of the Committee:

Name	Designation	Category
Mr. Laksh Vaaman Sehgal	Chairman	Non-executive
Ms. Noriyo Nakamura	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

Share transfer/transmissions approved by the Committee are placed at the quarterly Board Meeting. In respect to the System for transfer of Shares following is submitted:

a) All shares have been transferred within stipulated time, so long as the documents have been in order in all respects.

b) Subject to the transfer requests received by the Company, the Share Transfer Committee meets normally once a fortnight.

c) Total number of shares transferred in physical form during the financial year 2018-19 was 97,193 shares as compared to 1,50,931 shares during financial year 2017-18.

d) 99.61% of the equity shares of the Company are in electronic form as on March 31, 2019. Transfers of demat shares are done through the depositories with no involvement of the Company/Company's Registrar and Share Transfer Agent (RTA).

e) As on March 31, 2019, there was no request for equity shares transfer was pending.

Further, the Company obtains half-yearly certificate from a Company Secretary in Practice to the effect that all certificates have been issued with in thirty (30) 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 the Stock Exchanges.

SEBI has decided that securities of listed companies can be transferred only in dematerialized form, effective March 31, 2019 onwards.

Investor Relations

For the financial year ended March 31, 2019, the Company had received 158 investors' complaints, such as, non-receipt of shares after transfer, non-receipt of dividend, bonus shares etc. All complaints received during financial year 2018-19 were cleared within the said financial year. The complaints are generally responded to within seven (7) days from date in which they are lodged with the Company / RTA. Further, there were no investor complaint pending as on March 31, 2019 for financial year 2018-19.

Particulars of the past three AGMs

Annual General Meeting	Date	Time	Venue	Special Resolutions passed
29th	August 31, 2016	11:00 A.M.	St. Andrew's Auditorium, St. Dominic Road, Bandra West, Mumbai	(a) Issuance of equity shares on preferential basis to Sumitomo Wiring Systems Ltd. (b) Issuance of Foreign Currency Convertible Bonds to Sumitomo Wiring Systems Ltd. (c) Issuance of equity shares through Qualified Institutional Placement (d) Enhancement of the limit of holding of Foreign Institutional Investors / Foreign Portfolio Investors.
30th	August 21, 2017	10:30 A.M.	Swatantryaveer Savarkar Rashtriya Smarak Auditorium, 252, Veer Savarkar Marg, Shivaji Park, Dadar (W), Mumbai - 400 028	Nil
31st	August 13, 2018	11:00 A.M.	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, near (Sayani Road), Prabhadevi, Mumbai – 400025	(a) Approval for alteration of Articles of Association (AoA) and adoption of new AoA in order to align with the provisions of the Companies Act, 2013.

Special Resolution passed through Postal Ballot

During the financial year 2018-19, there was no item for which special resolution was sought / passed through postal ballot. Further, none of the business proposed to be transacted in the ensuing AGM require passing of a special resolution by way of Postal Ballot.

In Compliance with Regulation 44 of 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 services of Karvy Fintech Private Limited for providing e-voting facility to all its members.

Means of Communication

The quarterly, half-yearly and annual results of the Company were published in leading newspapers of India which include Economics Times and Nav Shakti, Mumbai. The results were also displayed on the Company's web site www.motherson.com. Press Release made by the Company from time to time were also displayed on the Company's website.

Detailed presentations were made to institutional investors and financial analysts on the Company's unaudited quarterly as well as audited annual financial results. These presentations were also uploaded on the Company's website and duly intimated to the Stock Exchanges where equity shares of the Company are listed.

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 Section' 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 under the Listing Regulations, including, 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 under the Listing Regulations, including, 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.

Dividend Distribution Policy

The Board of Directors has adopted Dividend Distribution Policy as per Regulation 43A of SEBI Listing Regulation. As, *inter-alia*, stated in the Dividend Distribution Policy, the Company has a consistent dividend policy for "distribution of upto 40% of consolidated profit as dividend and the Board may decide higher dividend in special and exceptional circumstances". Dividend Distribution Policy is appended as Annexure-1 to the Corporate Governance Report and have also been uploaded on the Company's website:-http://www.motherson.com/assets/corporategovernance/Dividend Distribution Policy.pdf.

Other Disclosures

a) 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.

b) All transactions entered into with related parties as defined under the Act and Regulation 23 of 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 https://www.motherson.com/assets/corporate-governance/policy-on-related-party-transactions.pdf

c) Transactions with the related parties are disclosed in Note No. 40 in the standalone financial statements.

d) 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 (3) years.

e) 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.

f) Over years, the Company has expended significantly its business organically and inorganically. Mr. V. C. Sehgal, Chairman and Promoter of the Company spent extensive time and contribute significantly to provide guidance to overseas businesses, customer relations and investor relations for financing the global business from the Chairman's office set-up by MSSL Mideast (FZE). Given international focus of businesses of the Company, including the wiring harness business, MSSL Mideast (FZE), has appointed Mr. V. C. Sehgal, Chairman (on part time basis) to provide guidance as aforesaid. While associated with MSSL Mideast (FZE), Mr. V. C. Sehgal also provide guidance to the operations of overseas subsidiaries / joint ventures of MSSL and on new business opportunities out side India. For the financial year 2018-19, MSSL Mideast (FZE) has remunerated Mr. V. C. Sehgal of Euro 1.5 million along with an accommodation at UAE.

g) Mr. Laksh Vaaman Sehgal, Vice Chairman of the Company oversees SMRP business and also spearhead R&D initiative at Motherson Innovations Company Ltd., UK ("MI"). MI is primarily involved in innovative and technology solutions and work for developing and bringing new future technology for strategic advancement and growth for the entire group. Mr. Laksh Vaaman Sehgal also supports the Global Strategic Procurement (GSP) business of the group based out at Dubai. For the financial year 2018-19, MI has remunerated Mr. Laksh Vaaman Sehgal of Euro 396,932 and post-employment benefits equivalent to Euro 14,287 along with insurance, company car and an accommodation for his stay in London, UK. The total remunerations and benefits from MI accounts for Euro 866,134. Further, for his support for GSP business, Samvardhana Motherson Global (FZE) has paid him remuneration of AED 6,99,996 for the financial year 2018-19.

h) All mandatory requirements have been duly complied, including but not limited to, succession planning for appointment of directors and senior management.

Whistle-blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism as defined under Regulation 22 of 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, namely, "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 'Whistle Blower 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 has appointed following Directors on the Board of overseas material subsidiaries in terms of regulation 24(1) of SEBI Listing Regulations:

Sl. No.	Name of Material Subsidiary	Independent Director appointed on the Board of respective Company	Effective date
1.	MSSL (GB) Limited	Mr. S.C. Tripathi, IAS (Retd.)	April 1, 2019
2.	Samvardhana Motherson Global Holdings Limited, Cyprus	Mr. Gautam Mukherjee	April 1, 2019
3.	Samvardhana Motherson Automotive Systems Group B.V.	Ms. Geeta Mathur	April 1, 2019
4.	MSSL Mideast (FZE)	Mr. Naveen Ganzu	April 1, 2019

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 https://www.motherson.com/assets/corporate-governance/policy_for_determining_material_subsidiary.pdf

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 term of the Listing Regulations at its meeting held on May 27, 2019.

General Shareholders Information

1. Annual General Meeting (AGM) to beheld

Date : August 14, 2019

Day: Wednesday

Time: 11:30 A.M.

Venue: Ravindra Natya Mandir
P.L. Deshpande, Maharashtra Kala Academy
(near Sayani Road), Prabhadevi,
Mumbai – 400025.

As required under Regulation 36(3) of Listing Regulations, particulars of Directors seeking appointment/re- appointment at this AGM are given in the Annexure to the Notice of AGM.

2. Financial Calendar (tentative and subject tochange)

- Financial reporting for first quarter ending June 30, 2019: on or before August 14, 2019;
- Financial reporting for second quarter ending September 30, 2019: on or before November 14,2019;
- Financial reporting for third quarter ending December 31, 2019: on or before February 14, 2020; and
- Financial results for financial year ending March 31, 2020: on or before May 30, 2020.

3. Book Closure date: From 11.08.2019 to 14.08.2019 (both days inclusive).

4. **Dividend payment date:** Dividend for the financial year 2018-19, if declared, will be remitted / paid in accordance with the law.

5. **Listing on stock exchanges**

Presently, the Equity shares of the Company are listed on following Stock Exchanges:

National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) MUMBAI – 400051, India Scrip Code : MOTHERSUMI	BSE Limited 1st Floor, New Trading Ring Rotunda Building P.J. Towers, Dalal Street Fort, MUMBAI – 400001, India Scrip Code : 517334

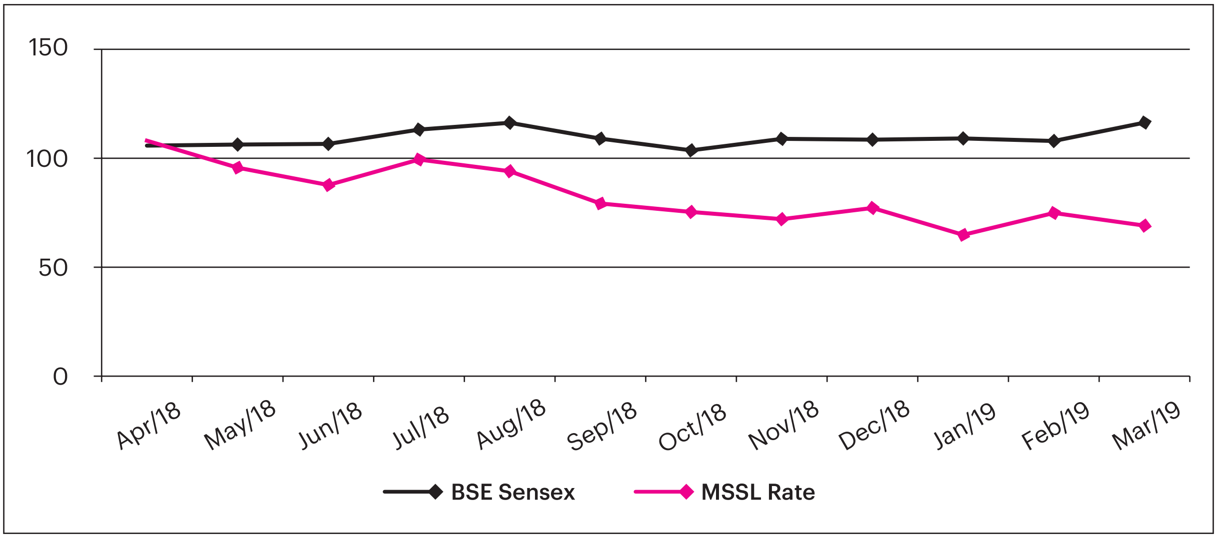
Payment of listing fees: Listing fees for financial year 2019-20 has been paid to BSE Limited and National Stock Exchange of India Limited.

6. **Market price data:**

Month	BSE Limited		National Stock Exchange of India Limited	
	High	Low	High	Low
April 2018	359.10	313.00	359.50	313.25
May 2018	355.80	295.05	355.80	295.00
June 2018	316.75	274.50	316.90	274.25
July 2018	327.00	280.05	327.00	279.95
August 2018	327.25	290.50	327.00	290.65
September 2018	309.00	244.50	308.35	244.15
October 2018*	264.90	155.00	265.00	155.00
November 2018	178.65	140.80	178.50	140.50
December 2018	179.30	147.15	179.10	147.05
January 2019	167.50	138.00	167.75	138.00
February 2019	162.90	127.50	164.40	127.15
March 2019	175.50	140.00	175.60	139.90

* Price as on October 30, 2018 was Ex-Bonus, i.e., for every two (2) equity shares held one (1) equity share was allotted as bonus share on November 1, 2018.

7. Performance in comparison to broad based indices:



Base 100 = April 1, 2018

Note: MSSL Rate is adjusted for 1:2 bonus. The share has been trading ex-bonus on the Exchanges effective from October 30, 2018.

8. Shareholding Pattern of the Company as on 31.03.2019 was as under:

Category	No. of shares held	% of shareholding
Promoters and Promoters Group	194,92,86,546	61.73
Mutual Funds	26,77,36,246	8.48
Financial Institutions and Banks	2,12,33,721	0.67
Foreign Institutional / Portfolio Investors	57,19,90,506	18.11
Insurance Companies	83,59,195	0.26
Bodies Corporate, NBFCs registered with RBI and Trusts	7,51,79,134	2.38
General Public (Individuals)	23,86,90,782	7.56
Alternate Investment Funds	94,53,258	0.30
NRIs and Foreign Nationals	1,10,44,063	0.35
IEPF	4,76,164	0.02
Clearing Members*	44,84,622	0.14
Total	**315,79,34,237**	**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 Fintech Private Limited (formerly Karvy Computer share Private Limited). The investors can send their queries to:

Karvy Fintech Private Limited
(formerly Karvy Computer share Private Limited)
(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, 2019 was as under:**

Range	No. of shareholders	% of shareholders to total	No. of shares	% of shares to total
1 – 5000	2,49,904	97.77	8,14,74,914	2.58
5001-10000	2,,248	0.88	1,57,63,800	0.50
10001 – 20000	1,299	0.51	1,80,67,290	0.57
20001 – 30000	523	0.20	1,28,78,116	0.41
30001- 40000	597	0.23	2,16,44,399	0.69
40001 – 50000	169	0.07	76,46,048	0.24
50001 – 100000	302	0.12	2,13,03,215	0.67
100001 and above	553	0.22	297,91,56,455	94.34
TOTAL	**2,55,595**	**100.00**	**315,79,34,237**	**100.00**

11. **Dematerialization of shares and liquidity:**

The Company's shares are compulsorily tradable in dematerialized form on NSE and BSE, which provide sufficient liquidity to the investors. The Company has established connectivity with both the depositories i.e. NSD Land CDSL. Equity shares of the Company representing 99.61% of the Company's equity share capital are dematerialized as on March 31, 2019. Details are given below:

Mode of holding	Percentage (%)
NSDL	97.73
CDSL	1.88
Physical	0.39
TOTAL	**100.00**

Demat ISIN Number in NSDL and CDSL for equity shares: ISIN- INE775A01035.

12. **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has no outstanding GDRs / ADRs / Warrants or any convertible instruments as on March 31, 2019.

13. **Commodity price risk or foreign exchange risk and hedging activities:**

Please refer to Management Discussion and Analysis Report for the same.

14. During the financial year ended March 31, 2019 the Board of Directors of the Company has accepted all the recommendations of various committee constituted by the Board.

15. Fees paid to the Statutory Auditors:

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity, to the statutory auditors and all entities in the network firm / network entities of which the statutory auditors in past, is as under:

Particulars	Amount (₹ in Million)
Services as Statutory Auditors (including quarterly audit)	423.46
Tax Audit	12.18
Services for tax matter (if any)	9.45
Certification and other matters	4.65
Re-imbursement of out-of-pocket expenses	11.23
Total:	**460.97**

16. Credit ratings:

List of all credit ratings obtained by the Company along with the revisions thereto during the financial year 2018-19, for all debt instruments is provided in Board's Report.

17. The disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are mentioned in the Directors' Report.

18. Suspense Account / Unclaimed suspense account:

In accordance with Schedule VI to Listing Regulations, the Company has transferred 7,99,129 numbers of equity shares to a demat suspense account / unclaimed suspense account. The voting rights on these shares will remain frozen till the rightful owner of such shares claims the shares.

19. Certificate of Non-Disqualification Of Directors

In accordance with Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations a certificate from a company secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified is annexed as Annexure-2.

20. Plant Locations (in India):

(a) Noida (Uttar Pradesh)
(b) Haldwani (Uttrakhand)
(c) Lucknow (Uttar Pradesh)
(d) Faridabad (Haryana)
(e) Gurugram (Haryana)
(f) Manesar (Haryana)
(g) Pune (Maharashtra)
(h) Nasik (Maharashtra)
(i) Ranjangaon (Maharashtra)
(j) Kandla (Gujarat)
(k) Sanand (Gujarat)
(l) Pathredi (Rajasthan)
(m) Tapukara (Rajasthan)
(n) Bengaluru (Karnataka)
(o) Chennai (Tamilnadu)
(p) Pithampur (Madhya Pradesh)
(q) Puducherry

Representative Office(s)

(a) Sharjah

(b) Germany

21. Address for correspondence:

The Shareholders may address their communication / grievances / queries /suggestions to:

Karvy Fintech Private Limited
(Unit – Motherson Sumi Systems Limited)
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 -6679500
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 May 27, 2019 and the same was approved.

Declaration regarding compliance with the Company's Code of Conduct

This is to confirm that the Company has adopted Code of Conduct(s) for the 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, 2019 received from the Board of Directors and Senior Management a declaration of compliance with the Code of Conduct.

For Motherson Sumi SystemsLimited

Place : Noida
Date : May 27, 2019

Pankaj Mital
Whole-time Director & Chief Operating Officer

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members of
Motherson Sumi Systems Limited
Unit 705, C Wing, ONE BKC, G Block,
Bandra Kurla Complex, Bandra East
Mumbai– 400051

1. The accompanying Corporate Governance Report prepared by Motherson Sumi Systems Limited(hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations")('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2019. This report is required by the Company for annual submission to the Stock exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include :

    i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;

    ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;

    iii. Obtained and read the Directors Register as on March 31, 2019 and verified that atleast one women director was on the Board during the year;

    iv. Obtained and read the minutes of the following meetings held from April 1, 2018 to March 31, 2019 :

        (a) Board of Directors meeting;
        (b) Audit Committee;
        (c) Annual General meeting;
        (d) Nomination and remuneration Committee;
        (e) Stakeholders Relationship Committee;
        (f) Independent Directors meeting;
        (g) Risk Management Committee;
        (h) Committee of Directors (Administrative Matter); and
        (i) Share Transfer Committee;

v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and

vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, that we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2019, referred to in paragraph 1 above.

Other matters and Restriction on Use

9. This report 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.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Pankaj Chadha
Partner
Membership Number: 091813
UDIN: 19091813AAAABT6017

Place: Noida
Date: May 27, 2019

DIVIDEND DISTRIBUTION POLICY

1. Scope and Purpose

1.1 **Motherson Sumi Systems Limited ("the Company")** equity shares are listed on the BSE Limited and the National Stock Exchange of India Limited.

1.2 This Dividend Distribution Policy (**"the Policy"**) defines conditions to be considered by the Board for recommending / paying a dividend to the shareholders of the Company. The Board of Directors will recommend any interim / annual dividend based on this Policy, applicable laws, as well as any specific financial or market conditions prevailing at the time.

1.3 Subject to the factors mentioned in para 1.2 above, the Company has a consistent dividend policy for "distribution of upto 40% of consolidated profit as dividend and the Board may decide higher dividend in special and exceptional circumstances".

1.4 The Policy set out the broad criteria to be considered for determining the proposed dividend to appropriately reward shareholders through dividends while supporting the future growth of the Company.

2. Dividend Policy

2.1 Dividend Distribution Philosophy

2.1.1 The Company believes in long term value creation for its shareholders while maintaining the desired liquidity and leverage ratios and protecting the interest of all the stakeholders. Accordingly, the focus will continue to be on sustainable returns in terms of dividend, in consonance with the dynamics of business environment.

2.2 The circumstances under which shareholders may not expect dividend

2.2.1 The Company shall comply with relevant statutory requirements that are applicable to the Company in declaring dividend or retained earnings. Generally, the Board shall determine dividend for a particular period after taking into consideration financial performance of the Company, advice of executive management and other parameters described in the Policy.

2.3 The financial parameters that shall be considered while declaring dividend

2.3.1 As in the past, subject to provisions of applicable law, the Company's dividend pay-out will be determined based on available financial resources, investment requirements and taking into account optimal shareholder return.

2.3.2 Based on above and, subject to factors mentioned in para 2.4 below, the Company will endeavour to maintain steady level of dividend.

2.4 The internal / external factors that shall be considered for declaration of dividend

2.4.1 When recommending / determining the dividend, the company will consider, amongst other matters:

- actual results for the year and the outlook for business operations
- providing for anticipated capital expenditures or acquisitions to further enhance shareholder value or meet strategic objectives
- setting aside cash to meet debt repayments
- changes in cost and availability of external financing
- level of dividends paid historically
- retaining earnings to provide for contingencies or unforeseeable events
- the overall economic environment including taxation
- changes in government policy, industry rulings and regulatory provisions

2.5 Policy on utilization of retained earning

2.5.1 The utilization of retained earnings will include:

- Inorganic / organic growth
- Diversification opportunities / capital expenditure

- Fund based requirement of company, its subsidiaries, joint ventures and/or other investee companies
- General corporate purposes including contingencies
- Investments in the new/existing business
- Any other permitted use under the Companies Act, 2013 and applicable laws

2.6 <u>Provisions with regard to various classes of shares</u>

2.6.1 The provisions contained in this policy shall apply to all classes of shares of the Company. It may be noted that currently the Company has only one class of shares, namely, equity shares.

3. Review and Disclosure

3.1 This policy will be reviewed and amended, as and when, required by the Board and/or under applicable laws. Any revisions in the Policy will be communicated to shareholders in a timely manner. The Policy shall be disclosed in the Annual report and on the website of the Company, i.e., 'www.motherson.com'.

4. Limitation

4.1 In the event of any conflict between the Act or the SEBI Regulations or other statutory enactments ("the Regulations") and the provisions of this policy, the Regulations shall prevail over this policy. Any subsequent amendment / modification in the Regulations, in this regard, shall automatically apply to this policy.

5. Disclaimer

5.1 The Policy does not constitute a commitment regarding future dividends of the Company, but only represents a general guidance regarding payment of dividend.

5.2 The statement of the policy does not in any way restrict right of the board to use its discretion in the recommendation of the dividend to be distributed considering various factors mentioned in the policy. Further, subject to the provisions of applicable laws, the board reserves the right to depart from the policy as and when circumstances so warrant.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Motherson Sumi System Limited
Unit 705, C Wing, ONE BKC, G Block,
Bandra Kurla Complex, Bandra East
Mumbai– 400051

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Motherson Sumi Systems Limited having CIN L34300MH1986PLC284510 and having its registered office at Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051 (hereinafter referred to as **'the Company'**), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:-

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Vivek Chaand Sehgal	00291126	19/12/1986
2.	Mr. Sushil Chandra Tripathi	00941922	10/09/2012
3.	Mr. Shunichiro Nishimura	08138608	23/05/2018
4.	Mr. Arjun Puri	00211590	11/01/2006
5.	Mr. Gautam Mukherjee	02590120	10/09/2012
6.	Ms. Geeta Mathur	02139552	30/01/2014
7.	Mr. Naveen Ganzu	00094595	14/10/2015
8.	Mr. Laksh Vaaman Sehgal	00048584	30/04/2009
9.	Ms. Noriyo Nakamura	06809512	31/01/2014
10.	Mr. Pankaj Mital	00194931	02/09/2011

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SGS ASSOCIATES
Company Secretaries

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

Date: 27th May 2019
Place: - New Delhi

STANDALONE FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of Motherson Sumi Systems Limited ("the Company"), which comprise the Balance sheet as at March 31 2019, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("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, 2019, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Key audit matters	How our audit addressed the key audit matter
De-recognition of trade receivables under factoring facilities (as described in note 8 of the standalone Ind AS financial statements)	
The Company enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions. As at 31 March 2019 the Company had various factoring facilities in place for trade receivables and amount of ₹ 1,326 million were de-recognized by using these facilities. The Company derecognizes the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables). The assessment of de-recognition of trade receivables under the factoring facilities is complex and requires judgement. Accordingly, the matter has been identified as KAM.	The procedures performed includes following: • Understand the assessment made by management covering factoring contracts; • For certain contracts sample, tested the nature of the contracts if they qualify as recourse or non-recourse agreements and if the accounting is in line with the Ind AS 109,"Financial Instruments"; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.
Revenue Recognition under Ind AS 115, "Revenue from contracts with customers" (as described in note 45 of the standalone Ind AS financial statements)	
Ind AS 115 has become applicable on the Company with effect from April 1, 2018 which prescribes detailed guidance for various elements of revenue recognition and requires detailed contract assessment as per the accounting principles prescribed under the newly applicable accounting standard. The application of new revenue accounting standard involves certain key judgements and interpretations relating to identification of separate performance obligations, principal versus agent considerations, recognition of revenue over the period and recognition of contract acquisition costs. Accordingly, the matter has been identified as KAM.	The procedures performed includes following: • Assessed the Company's process to identify the impact of adoption of new revenue accounting standard; • Selected a sample of contracts and evaluated them along with supporting evidence to determine whether various elements of revenue recognition are assessed in accordance with the principles prescribed under Ind AS 115; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.
Impairment assessment on Investments (as described in note 6 of the standalone Ind AS financial statements)	
The Company has made investments in various subsidiaries/joint venture/associate companies. The carrying amount of total investments as at March 31, 2019 is ₹ 45,836 million. Considering the long term nature of these investments, their impairment assessment requires judgement and significant estimates. Accordingly, the matter has been identified as KAM.	The procedures performed includes following: • Assessed the process followed and controls implemented for the impairment review and analysis performed by the management; • Tested management's impairment calculation and assessed whether the requirements of applicable accounting principles; • Read the reported net worth and profitability of the respective investments from their financial information made available to us by the management; • Where considered necessary, acquisition generating goodwill in the consolidated financial statements, evaluated the assumptions used for impairment assessment of goodwill and compared with carrying value in the Company's books as at March 31, 2019 and for changes, if any upto the date of Board meeting

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and our auditor's reports thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information in as much as it relates to standalone Ind AS financial statements and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that 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 (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1"a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. 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 the Statement of Other Comprehensive Income, the Cash Flow Statement and 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 Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 43 to the standalone Ind AS financial statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 37 to the standalone Ind AS financial statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Pankaj Chadha**
Partner
Membership Number: 091813

Place of Signature: Noida
Date: May 27, 2019

Annexure 1 referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Motherson Sumi Systems Limited (the "Company")

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(i) (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(i) (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

(ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2019 and no material discrepancies were noticed in respect of such confirmations.

(iii) According to the information and explanations given to us, 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 Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.

(iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of its products and related services, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.

(vii) (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(vii) (c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, excise duty or value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.million)*	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	13	A.Y. 2002-03	Supreme Court
Income Tax Act, 1961	Income Tax	20	A.Y. 2003-04 to 2005-06	High Court, Delhi
Income Tax Act, 1961	Income Tax	30	A.Y. 2010-11 & 2011-12	Income tax appellate Tribunal
Income Tax Act, 1961	Income Tax	6	A.Y. 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Income Tax	3	A.Y. 2015-2016	Dispute Resolution Panel (DRP)
U.P. VAT Act, 2008	Value Added Tax & Sales Tax	1	2017-18	Additional commissioner (Appeals)
Karnataka VAT Act, 2003	Value Added Tax & Sales Tax	2	2008-09	Karnataka Appellate Tribunal
Central Excise Act, 1944	Excise	3	2011-12 & 2017-2018	Additional Commissioner
Central Excise Act, 1944	Excise	8	2012-13 to 2013-14, 2014-2015 & 2015-2016 to 2017-2018	Commissioner (Appeals)
Central Excise Act, 1944	Excise	12	2007-2008	High Court, Allahabad
Central Excise Act, 1944	Excise	3	2014-2015, 2015-2016 & 2016-2017	CESTAT
Central Excise Act, 1944	Excise	3	2015-16 to 2017-18	Commissioner
Finance Act, 1994	Service tax	2	1999-00 to 2000-01	High Court, Allahabad
Finance Act, 1994	Service tax	7	2010-11	Additional Commissioner
Finance Act, 1994 **	Service tax	0	2009-10 to 2014-15	Commissioner (Appeals)
Finance Act, 1994	Service tax	18	2002-2004, 2007-08, 2009-10 to 2014-15, & 2015-16,	CESTAT
Finance Act, 1994 **	Service tax	0	2009-10	Deputy Commissioner
Finance Act, 1994	Service tax	2	2002-03 to 2003-04 & 2010-11	Commissioner

* The amounts are net of advances

** Amount is below the rounding off norm adopted by the Company

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a bank. The Company does not have any dues outstanding to debenture holder or financial institution or government in the nature of loan or borrowing.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Pankaj Chadha**
Partner
Membership Number: 091813

Place of Signature: Noida
Date: May 27, 2019

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEMS LIMITED

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

We have audited the internal financial controls over financial reporting of Motherson Sumi Systems Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2019, 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 **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Pankaj Chadha**
Partner
Membership Number: 091813

Place of Signature: Noida
Date: May 27, 2019

(All amounts in ₹ Million, unless otherwise stated)

BALANCE SHEET

	Notes	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	17,087	14,644
Capital work in progress	3	907	922
Investment property	4	872	822
Intangible assets	5	0	4
Investment in subsidiaries, joint ventures and associate	6(a)	45,836	46,343
Financial assets			
i. Investments	6(a)	188	186
ii. Loans	7	58	48
Deferred tax assets (net)	10	296	1,246
Other non-current assets	11	342	462
Non-current tax assets (net)	23	725	19
Total non-current assets		**66,311**	**64,696**
Current assets			
Inventories	12	10,551	9,242
Financial assets			
i. Investments	6(b)	10	9
ii. Trade receivables	8	8,090	9,250
iii. Cash and cash equivalents	13(a)	1,333	1,016
iv. Bank balances other than (iii) above	13(b)	49	38
v. Loans	7	110	129
vi. Other financial assets	9	1,939	2,197
Other current assets	14	2,039	1,519
Total current assets		**24,121**	**23,400**
Total assets		**90,432**	**88,096**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	2,105
Other equity			
Reserves and surplus	16(a)	61,088	59,563
Other reserves	16(b)	136	134
Total equity		**64,382**	**61,802**
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17(a)	11,337	11,027
ii. Other financial liabilities	18	164	181
Employee benefit obligations	21	424	395
Government grants	22	92	101
Total non-current liabilities		**12,017**	**11,704**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	As At March 31, 2019	As At March 31, 2018
Current liabilities			
Financial Liabilities			
i. Borrowings	17(b)	2	16
ii. Trade payables			
Total outstanding dues of micro, small and medium enterprises and	19	202	144
Total outstanding dues of creditors other than micro, small and medium enterprises	19	8,747	8,778
iii. Other financial liabilities	18	2,698	3,584
Provisions	20	8	25
Employee benefit obligations	21	360	226
Government grants	22	12	15
Other current liabilities	24	2,004	1,802
Total current liabilities		**14,033**	**14,590**
Total liabilities		**26,050**	**26,294**
Total equity and liabilities		**90,432**	**88,096**
Summary of significant accounting policies	2		

This is the Balance Sheet referred to in our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place:Noida
Date: May 27, 2019

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

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

(All amounts in ₹ Million, unless otherwise stated)

STATEMENT OF PROFIT AND LOSS

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue			
Revenue from contract with customers	25 (a)	75,107	76,117
Other operating revenue	25 (b)	706	556
Total revenue from operations		**75,813**	**76,673**
Other income	26	1,865	1,404
Total income		**77,678**	**78,077**
Expenses			
Cost of materials consumed	27	42,002	38,802
Purchase of stock-in-trade		619	3,080
Changes in inventory of finished goods, work-in-progress and stock in trade	28	(522)	(895)
Excise duty on sale of goods		-	2,112
Employee benefit expense	29	11,785	10,619
Depreciation and amortization expense	32	2,193	2,183
Finance costs	31	176	433
Other expenses	30	9,201	9,636
Total expenses		**65,454**	**65,970**
Profit before tax		**12,224**	**12,107**
Tax expenses	33		
-Current tax		3,106	4,016
-Deferred tax expense/ (credit)		980	(700)
Total tax expense		**4,086**	**3,316**
Profit for the year		**8,138**	**8,791**
Other comprehensive income			
Items not to be reclassified to profit or loss			
Changes in fair valuation of FVOCI equity investment		2	(20)
Deferred tax on fair valuation of FVOCI equity investment		(0)	5
Remeasurements of employment benefit obligations		(88)	(38)
Deferred tax on remeasurements of employment benefit obligations		31	13
Other comprehensive income for the year, net of tax		**(55)**	**(40)**
Total comprehensive income for the year, net of tax		**8,083**	**8,751**
Earnings per share: (Refer Note 34)			
Nominal value per share: ₹ 1/- (Previous year : ₹ 1/-)			
Basic		2.58	2.78
Diluted		2.58	2.78
Summary of significant accounting policies	2		

This is the Statement of Profit and Loss referred to in our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

The above Standalone 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

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

(All amounts in ₹ Million, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

A. Equity share capital

	Notes	Amount
As at April 01, 2017		**1,404**
Issue of equity share capital	15	702
As at March 31, 2018		**2,105**
Issue of equity share capital	15	1,053
As at March 31, 2019		**3,158**

B. Other equity

	Notes	Reserves and surplus				Items of OCI	Total
		Securities premium	Reserve on amalgamation	General Reserve	Retained Earnings	FVOCI equity investments	
Balance as at April 01, 2017		27,981	1,663	3,363	23,467	149	**56,624**
Profit for the year		-	-	-	8,791	-	**8,791**
Other comprehensive income		-	-	-	(25)	(15)	**(40)**
Total comprehensive income for the year		**-**	**-**	**-**	**8,766**	**(15)**	**8,751**
Additions during the year							
Bonus Issue	16 (a)	(702)	-	-	-	-	**(702)**
Dividend paid	16 (a)	-	-	-	(4,210)	-	**(4,210)**
Tax on Dividend	16 (a)	-	-	-	(765)	-	**(765)**
Balance at March 31, 2018		**27,279**	**1,663**	**3,363**	**27,258**	**134**	**59,697**
Profit for the year		-	-	-	8,138	-	**8,138**
Other comprehensive income		-	-	-	(57)	2	**(55)**
Total comprehensive income for the year		**-**	**-**	**-**	**8,081**	**2**	**8,083**
Additions during the year							
Bonus Issue	16 (a)	(1,053)	-	-	-	-	**(1,053)**
Dividend paid	16 (a)	-	-	-	(4,737)	-	**(4,737)**
Tax on Dividend	16 (a)	-	-	-	(766)	-	**(766)**
Balance at March 31, 2019		**26,226**	**1,663**	**3,363**	**29,836**	**136**	**61,224**
Summary of significant accounting policies	2						

The above statement of changes in equity should be read in conjunction with the accompanying notes

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

For and on behalf of the Board

V.C. SEHGAL
Chairman

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

(All amounts in ₹ Million, unless otherwise stated)

CASH FLOW STATEMENT

		For the year Ended March 31, 2019	For the year Ended March 31, 2018
A.	**Cash flow from operating activities:**		
	Profit before tax	12,224	12,107
	Adjustments to reconcile profit before tax:		
	Depreciation and amortization expense	2,193	2,183
	Amortization of government grant	(12)	(10)
	Gain on disposal of property, plant and equipment (net)	(6)	(12)
	Liabilities written back to the extent no longer required	(17)	(19)
	Bad debts/ advances written off	0	(19)
	Provision for doubtful debts/ advances	(3)	7
	Provision for diminution in the value of investment	20	-
	Interest income	(19)	(72)
	Dividend income	(1,227)	(701)
	Finance cost	177	433
	Unrealised foreign exchange loss (net)	(168)	(155)
	Operating profit before working capital changes	**13,162**	**13,742**
	Change in working Capital:		
	Increase/ (decrease) in Trade payables	172	1,293
	Increase/ (decrease) in Other payables	265	214
	Increase/ (decrease) in Other financial liabilities	83	81
	(Increase)/ decrease in Trade receivables	1,146	(1,005)
	(Increase)/ decrease in Inventories	(1,309)	(2,325)
	(Increase)/ decrease in other financial assets	258	366
	(Increase)/ decrease in other receivables	(571)	453
	Cash generated from operations	**13,206**	**12,819**
	- Income taxes paid (net of refund)	(3,781)	(4,426)
	Net cash flows from operating activities	**9,425**	**8,393**
B.	**Cash flow from Investing activities:**		
	Payments for property, plant and equipment and investment properties	(3,999)	(3,070)
	Proceeds from sale of property, plant and equipment	23	30
	Proceeds from sale / (payment for purchase) of investments (net)	-	(296)
	Interest received	19	72
	Dividend received from subsidiaries	1,023	439
	Dividend received from others	172	217
	(Investment)/ proceeds from maturity of deposits with remaining maturity for more than 12 months	(1)	(5)
	Net cash used in investing activities	**(2,763)**	**(2,613)**

(All amounts in ₹ Million, unless otherwise stated)

		For the year Ended March 31, 2019	For the year Ended March 31, 2018
C.	**Cash flow from financing activities:**		
	Dividend paid to equity share holders	(4,726)	(4,203)
	Dividend distribution tax	(766)	(766)
	Interest paid	(342)	(299)
	Proceeds from other short term borrowings	2	16
	Repayment of long term borrowings	(554)	(1,352)
	Repayment of other short term borrowings	(16)	(36)
	Net cash used in financing activities	**(6,402)**	**(6,640)**
	Net increase/(decrease) in Cash and Cash Equivalents	**260**	**(860)**
	Net foreign exchange difference	57	22
	Net Cash and Cash equivalents at the beginning of the year	**1,016**	**1,854**
	Cash and cash equivalents as at current year end	**1,333**	**1,016**
	Cash and cash equivalents comprise of the following (Note 13(a))		
	Cash on hand	8	19
	Cheques / drafts on hand	6	106
	Balances with banks	1,319	891
	Cash and cash equivalents as per Balance Sheet	**1,333**	**1,016**

Summary of significant accounting policies (Note 2)

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 **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

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

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

1. Corporate Information

Motherson Sumi Systems Limited (MSSL or 'the Company') was incorporated on December 19, 1986 and domiciled in India 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 (SAMIL) and Sumitomo Wiring Systems Limited, Japan.

The standalone financial statements were authorised for issue in accordance with a resolution of the Board of directors on May 27, 2019.

2.1 Significant accounting policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statement.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments, refer note 37
- Certain financial assets and liabilities measured at fair value (refer note l below for accounting policy regarding financial instruments)
- Defined benefit pension plans – plan assets measured at fair value, refer note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The financial statements are presented in ₹ and all values are rounded to the nearest millions (₹ 000,000), except when otherwise indicated.

(b) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(c) Foreign currencies

(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 other comprehensive income if they relate to qualifying cash flow hedges

Foreign exchange differences on foreign currency borrowings 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.

(d) Revenue from contracts with customers

Ind AS 115 Revenue from Contracts with Customers issued by Ministry of Corporate Affairs is applied by the Company as of April 01, 2018. The Company decided to apply the modified retrospective approach, whereby previous year's standalone financial statements are not restated.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the components.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of equipment, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Contracts for the sale of components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Company typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Company has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Company is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Company determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Company is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Company's role is only to arrange for another entity to provide the goods or services, then the Company is an agent and will need to record revenue at the net amount that it retains for its agency services.

Revenue from development of tools

The Company develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

The Company recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Company cannot reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation

Determining the timing of satisfaction of tooling development

The Company concluded that revenue for development of tooling is to be recognised over time because the Company's performance does not create asset with an alternative use to the Company since the tools are customised for each customer and the Company has a legally enforceable right to payment of fair value for performance completed to date.

The Company determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Company's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Company recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Principal versus agent considerations

The Company enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Company provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Company determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the component. The following factors indicate that the Company does not control the goods before they are being transferred to customers. Therefore, the Company determined that it is an agent in these contracts.

- The Company is not primarily responsible for fulfilling the promise to provide the specified components.
- The Company does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Company has no discretion in establishing the price for the specified component. The Company's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Company concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Company's agency service.

Consideration of significant financing component in a contract

The Company develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Company concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market, if any.

In determining the interest to be applied to the amount of consideration, the Company concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables are disclosed in Note 45.

Contract Assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables. The Company's contract assets are disclosed in Note 45 as Unbilled Receivables.

Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract Liabilities are disclosed in Note 45 as Advances received from customers.

Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Company expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

(d) i 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.

Rental Income

Rental income arising from investment properties given under operating leases is accounted for on a straight-line basis over the lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in other income in the statement of profit and loss.

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.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.

(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.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

(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 and losses.

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

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, 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 respective nature.

(h) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used. Impairment losses including impairment on inventories, are recognised in the statement of profit and loss

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually at the end of the financial year at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

(i) Cash and cash equivalents

Cash and cash equivalent includes cash on hand, cash at banks and short term deposits 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 change in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) Inventories

Raw materials, stores and spares, work in progress, stock in trade and finished goods

Raw materials, stores and spares, work in progress, stock in trade 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 and is determined after rebate and discounts. 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 includes all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average cost basis.

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.

(k) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (d) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

This category is the most relevant to the Company. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The Company elected to classify irrevocably its non-listed equity investments under this category.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b. Financial assets that are debt instruments and are measured as at FVTOCI
c. Lease receivables under Ind AS 17
d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
e. Loan commitments which are not measured as at FVTPL

f. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount"

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings and other payables.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in statement of profit and loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(l) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

(m) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Company's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit and loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Company has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(n) Property, Plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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 willflow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

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 1, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost 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.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Useful lives (years)*
Leasehold Land	Over the period of lease
Leasehold improvements	Over the period of lease or useful life, whichever is lower
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 certain assets are different 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 management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

(o) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Company depreciates building component of investment property over 30 years and leasehold land over the period of lease.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

(p) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

The useful live of intangible assets are as follows:

Asset	Useful lives (years)
Software	3 years

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Cost incurred by the Company for Research and Development do not meet the recognition criteria and hence have been classified as research costs and are expensed of in the statement of profit and loss as and when these are incurred.

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

(q) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

(r) Provisions and contingent liabilities

Provisions

Provisions for legal claims, product warranties and other 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.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for onerous contracts

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Company at the end of every reporting period conducts the onerous contract test per the provisions of Ind AS 37 by comparing the remaining costs to be incurred under the contract with the related revenue of the contract. Where the costs of a contract exceed the related revenue of the contract, the Company makes a provision for the difference.

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.

(s) 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 has 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 100,000 / 150,000, 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. Re-measurement 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 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. Re-measurement 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.

(t) 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.

(u) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

(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.

(v) Changes in Accounting policies

Ind AS 115 Revenue from contracts with customers

During the period ended March 31, 2019, Ind AS 115 – Revenue from Contracts with Customers became applicable on the Company. The management has conducted detailed analysis on the implications of implementation of new standard on the revenue. The Company builds all customized products for its customers. In certain contracts, the Company is undertaking higher level assemblies of modules such as Instrument Panels, Cockpits etc. wherein whole/substantial components are procured from suppliers nominated by customer without taking over any risks on the Company itself. Such a situation has been defined in standard as the Company acting as an agent, and requires recognition of revenues excluding the value of such components.

In view of implementation of new standard, only service fees involved in such contracts where the company has limited risks has been recognized as revenue by netting the cost of such components from raw material consumption as well as from sales as against earlier practice of full value to be included in Revenue.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Company's financial statements.

Amendments to Ind AS 40 Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Company's financial statements.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Company's accounting policies, there are no significant judgements established by the management.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful life of property, plant and equipment and investment properties

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment defined benefits are determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Further details about gratuity obligations are given in Note 21

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 36 of the financials.

(iv) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

(v) Percentage completion of recognition of revenue

The Company uses the percentage-of-completion method in accounting for 'development of tools' contracts. Use of the percentage-of-completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

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 (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress
Year ended March 31, 2018											
Gross carrying amount											
As at April 01, 2017	1,158	989	94	6,303	8,601	106	115	173	48	**17,587**	530
Additions	123	102	36	714	1,806	12	50	96	19	**2,958**	692
Disposals	-	-	(25)	-	(24)	-	-	-	(16)	**(65)**	-
Transfer / Other adjustment	-	-	-	-	3	-	-	-	-	**3**	(300)
Closing gross carrying amount	**1,281**	**1,091**	**105**	**7,017**	**10,386**	**118**	**165**	**269**	**51**	**20,483**	**922**
Accumulated depreciation											
As at April 01, 2017	26	-	25	462	3,078	40	50	63	19	**3,763**	-
Depreciation charge during the year	15	-	46	265	1,652	22	30	75	14	**2,119**	-
Disposals	-	-	(22)	-	(9)	-	-	-	(12)	**(43)**	-
Closing accumulated depreciation	**41**	**-**	**49**	**727**	**4,721**	**62**	**80**	**138**	**21**	**5,839**	**-**
Net carrying amount	**1,240**	**1,091**	**56**	**6,290**	**5,665**	**56**	**85**	**131**	**30**	**14,644**	**922**
Year ended March 31, 2019											
Gross carrying amount											
As at April 01, 2018	1,281	1,091	105	7,017	10,386	118	165	269	51	**20,483**	922
Additions	273	-	-	243	1,923	87	45	105	22	**2,697**	1,994
Disposals	-	-	-	-	(45)	-	(2)	-	(15)	**(62)**	-
Transfer / Other adjustment	104	(104)	-	746	1,192	-	-	-	-	**1,939**	(2,009)
Closing gross carrying amount	**1,658**	**987**	**105**	**8,006**	**13,456**	**205**	**208**	**374**	**58**	**25,057**	**907**

Particulars	Leasehold Land Refer note (v)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress
Accumulated depreciation											
As at April 01, 2018	41	-	49	727	4,721	62	80	138	21	**5,839**	-
Depreciation charge during the year	18	-	13	281	1,700	26	33	93	13	**2,177**	-
Disposals	-	-	-	-	(32)	-	(2)	(1)	(11)	**(46)**	-
Closing accumulated depreciation	**59**	**-**	**62**	**1,008**	**6,389**	**88**	**111**	**230**	**23**	**7,970**	**-**
Net carrying amount	**1,599**	**987**	**43**	**6,998**	**7,067**	**117**	**97**	**144**	**35**	**17,087**	**907**

(i) Refer to note 44 for information on property plant and equipment pledged as security by the Company.

(ii) Contractual obligations: Refer to note 42 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 ₹ 9 million (March 31, 2018: ₹ 6 million) capitalized during the year on assets used for the creation of self generated assets. (Refer Note. 32)

(v) Leasehold land represents land obtained on long term lease from various government authorities and considered as finance lease. (Refer note 46).

(All amounts in ₹ Million, unless otherwise stated)

4 Investment property

	March 31, 2019	March 31, 2018
Gross carrying amount		
Opening gross carrying amount	909	614
Add: Additions during the year	70	297
Less: Deletions during the year	-	2
Closing gross carrying amount	**979**	**909**
Accumulated depreciation:		
Opening balance	87	22
Add: Depreciation for the year	20	65
Closing accumulated depreciation	**107**	**87**
Net carrying amount	**872**	**822**

(i) Amounts recognised in profit or loss for investment properties:

	March 31, 2019	March 31, 2018
Rental Income	25	21
Direct operating expenses from property that generated rental income	-	(1)
Direct operating expenses from property that did not generate rental income	(1)	(2)
Profit from investment properties before depreciation	**24**	**18**
Depreciation	20	65
Profit / (loss) from investment property	**4**	**(47)**

(ii) Contractual obligations:

Refer note 42 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, 2019	March 31, 2018
Investment property	1,862	1,623

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.

5 Intangible assets

	Software
Year ended March 31, 2018	
Gross carrying amount	
As at April 01, 2017	17
Closing gross carrying amount	**17**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2017	8
Amortisation charge during the year	5
Closing accumulated amortisation	**13**
Net carrying amount	**4**
Year ended March 31, 2019	
Gross carrying amount	
As at April 01, 2018	17
Closing gross carrying amount	**17**
Accumulated amortisation	
As at April 01, 2018	13
Amortisation charge during the year	4
Closing accumulated amortisation	**17**
Net carrying amount	**0**

6 (a) Non-Current investments

	March 31, 2019	March 31, 2018
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 (March 31, 2018: 37,820,080) equity shares of EUR 1 each fully paid-up	2,284	2,304
Net of provision for other than temporary diminution aggregating to ₹ 70 million (March 31, 2018 : ₹ 50 million)		
MSSL Mideast (FZE)		
1 (March 31, 2018: 1) equity share of AED 150,000 equivalent to EUR 46,875 each fully paid-up	2	2
44,170,000 (March 31, 2018: 44,170,000) equity shares of EUR 1 each fully paid-up	3,111	3,111
50,000,000 (March 31, 2018: 50,000,000) equity shares of EUR 1 each fully paid-up at a premium of EUR 2.60per share	12,719	12,719
Add: Effective portion of fair value hedge (refer note 37)	1,092	1,579
Motherson Electrical Wires Lanka Private Limited		
1,456,202 (March 31, 2018: 1,456,202) equity shares of LKR 10 each fully paid-up	7	7
MSSL (S) PTE Limited		
20,554,700 (March 31, 2018: 20,554,700) equity shares of SGD 1 each fully paid-up	960	960

(All amounts in ₹ Million, unless otherwise stated)

	March 31, 2019	March 31, 2018
Samvardhana Motherson Polymers Limited		
522,750 (March 31, 2018: 522,750) equity shares of ₹ 10 each fully paid-up	5	5
1,351,500 (March 31, 2018: 1,351,500) equity shares of ₹ 10 each fully paid-up at a premium of ₹ 190 per share	270	270
46,920 (March 31, 2018: 46,920) equity shares of ₹ 10 each fully paid-up at a premium of ₹ 2,300 per share	108	108
SMR Automotive Systems India Limited		
6,712,990 (March 31, 2018: 6,712,990) equity shares of ₹ 10 each fully paid-up	67	67
MSSL Automobile Component Limited		
50,000 (March 31, 2018: 50,000) equity shares of ₹ 10 each fully paid-up	1	1
MSSL (GB) Limited		
203,422,924 (March 31, 2018: 203,422,924) equity shares of GBP 1 each fully paid-up at a premium of GBP 0.50 per share. (These shares are pledged against borrowings, for further details refer note17(a) and note 44)	24,705	24,705
Motherson Polymers Compounding Solution Private Limited		
9,000,000 (March 31, 2018: 9,000,000) equity shares of ₹ 10 each fully paid-up	8	8
(A)	**45,339**	**45,846**
Investment in joint ventures :		
Kyungshin Industrial Motherson Limited		
17,200,000 (March 31, 2018: 17,200,000) equity shares of ₹ 10 each fully paid-up	86	86
Calsonic Kansei Motherson Auto Products Limited		
30,930,836 (March 31, 2018: 30,930,836) equity shares of ₹ 10 each fully paid-up	400	400
(B)	**486**	**486**
Investment in Associate :		
Saks Ancillaries Limited	11	11
1,000,000 (March 31, 2018: 1,000,000) equity shares of ₹ 10 each fully paid-up		
(C)	**11**	**11**
Total Investment in subsidiaries, joint ventures and associate (A+B+C)	**45,836**	**46,343**
Equity investments at FVOCI		
Unquoted		
Motherson Sumi INfotech & Designs Limited		
1,200,000 (March 31, 2018: 1,200,000) equity shares of ₹ 10 each fully paid-up	185	183
Echanda Urja Private Limited		
120,645 (March 31, 2018: 120,645) equity shares of ₹ 10 each fully paid-up	1	1

	March 31, 2019	March 31, 2018
Tulsyan NEC Limited		
63,750 (March 31, 2018: 63,750) equity shares of ₹ 30 each fully paid-up	2	2
(D)	**188**	**186**
TOTAL (A+B+C+D)	**46,024**	**46,529**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	46,094	46,579
Aggregate amount of impairment in the value of investments	70	50

6 (b) Current investments

	March 31, 2019	March 31, 2018
Investment in equity instruments at FVOCI		
Quoted		
HDFC Bank Limited	5	4
2,035 (March 31, 2018: 2,035) equity shares of ₹ 2 each fully paid up		
Balrampur Chini Mills Limited	0	0
1,200 (March 31, 2018: 1,200) equity shares of ₹ 1 each fully paid up		
JD Orgochem Ltd	0	0
100 (March 31, 2018: 100) equity shares of ₹ 10 each fully paid up		
Meyer Apparel Limited	0	0
28,475 (March 31, 2018: 28,475) equity shares of ₹ 3 each fully paid up		
Mahindra & Mahindra Limited	5	5
7,288 (March 31, 2018: 7,288) equity shares of ₹ 5 each fully paid up		
Arcotech Limited	0	0
1,000 (March 31, 2018: 1,000) equity shares of ₹ 2 each fully paid up		
Unquoted		
Pearl Engineering Polymers Limited	-	-
3,160 (March 31, 2018: 3,160) equity shares of ₹ 10 each fully paid up		
Daewoo Motors Limited	-	-
6,150 (March 31, 2018: 6,150) equity shares of ₹ 10 each fully paid up		
Athena Financial Services Limited	-	-
66 (March 31, 2018: 66) equity shares of ₹ 10 each fully paid up		
Inox Leasing & Finance Limited	-	-
100 (March 31, 2018: 100) equity shares of ₹ 10 each fully paid up		
Total current investments	**10**	**9**
Aggregate amount of quoted investments and market value thereof	10	9
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

7 Loans

	March 31, 2019		March 31, 2018	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 40)	14	-	11	-
Loans to employees	96	58	118	48
Total	**110**	**58**	**129**	**48**

8 Trade receivables

	March 31, 2019	March 31, 2018
	Current	Current
Unsecured, considered good[1]	8,090	9,250
Unsecured, credit impaired	37	41
	8,127	**9,291**
Less: Allowances for credit loss	37	41
Total	**8,090**	**9,250**
[1] Includes receivables from companies in which Director of the Company is also a Director	276	221

Note 1: The Company has derecognised trade receivables amounting ₹ 1,325.95 million (March 31, 2018: ₹ 1,999.96 million) as it had transferred the contractual right and substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

9 Other financial assets

	March 31, 2019	March 31, 2018
	Current	Current
Unsecured, considered good		
Security deposits[1]	690	668
Other advances receivable in cash	0	0
Unbilled revenue (Refer Note 45)	1,214	1,527
Others	35	2
Total	**1,939**	**2,197**
[1]Includes security deposit given to a partnership firm namely M/S Motherson in which Director of the Company is Partner	8	8

10 Deferred tax assets (net)

	March 31, 2019	March 31, 2018
Deferred tax assets		
Property, plant and equipment and intangible assets & investment property	-	336
Derivatives designated as hedges	232	599
Provision for employee benefit obligations	274	207
Provision for doubtful debts and advances	13	14
Government grants	44	41
Others	(5)	87
Deferred tax liabilities		
FVOCI equity instruments	(42)	(38)
Property, plant and equipment and intangible assets & investment property	(220)	-
Total	**296**	**1,246**

Movement in Deferred tax assets

	Property, plant and equipments and intangible assets & investment property	Derivatives designated as hedges	Provision for employee benefits	Provisions for doubtful debts and advances	Government grants	FVOCI equity instruments	Other items	Total
At April 01, 2017	**294**	**-**	**213**	**21**	**44**	**(43)**	**(1)**	**528**
(Charged) / credited:								
to profit or loss	42	599	(19)	(7)	(3)	-	88	700
to other comprehensive income	-	-	13	-	-	5	-	18
At March 31, 2018	**336**	**599**	**207**	**14**	**41**	**(38)**	**87**	**1,246**
(Charged) / credited:								
to profit or loss	(556)	(367)	36	(1)	3	(4)	(92)	(981)
to other comprehensive income	-	-	31	-	-	(0)	-	31
At March 31, 2019	**(220)**	**232**	**274**	**13**	**44**	**(42)**	**(5)**	**296**

Note:

1. Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

11 Other non-current assets

	March 31, 2019	March 31, 2018
Unsecured, considered good, unless otherwise stated		
Capital advances	238	407
Prepaid expenses	104	51
Balances with government authorities	-	4
Total	**342**	**462**

12 Inventories

	March 31, 2019	March 31, 2018
Raw materials	6,690	5,904
Work-in-progress	1,922	1,768
Finished goods	1,908	1,540
Stores and spares	31	30
Total	**10,551**	**9,242**
Inventory include Inventory in transit of:		
Raw materials	1,640	1,268
Finished goods	369	305

Amount recognised in profit or loss:

During the year ended March 31, 2019 write-back of inventories on account of provision in respect of obsolete/ slow moving items amounted to ₹ 20 million (March 31, 2018: ₹ 56 million write-downs). 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, 2019	March 31, 2018
Balances with banks:		
- in current accounts	1,319	633
- Deposits with original maturity of less than three months	-	258
Cheques and drafts on hand	6	106
Cash on hand	8	19
Total	**1,333**	**1,016**

* There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior periods. For asset pledged refer note 44.

Changes in liabilities arising from financing activities

	March 31, 2018	Cash Flow	Non cash		March 31, 2019
			Foreign exchange movements	Fair value changes	
Long term borrowings	11,531	(555)	369	9	11,354
Short term borrowings	16	(14)	-	-	2
Total liabilities from financing activities	**11,547**	**(569)**	**369**	**9**	**11,356**

13 (b) Other bank balances

	March 31, 2019	March 31, 2018
Deposits with remaining maturity of more than three months but less than 12 months	5	6
Unpaid dividend account	44	32
Total	**49**	**38**

14 Other current assets

	March 31, 2019	March 31, 2018
Unsecured, considered good, unless otherwise stated		
Advances recoverable	381	488
Prepaid expenses	243	360
Balances with government authorities	1,119	451
Subsidy receivable	296	220
Total	**2,039**	**1,519**

15 Share Capital

	March 31, 2019	March 31, 2018
Authorised:		
6,050,000,000 (March 31, 2018 : 2,873,000,000) Equity shares of ₹ 1 each)	6,050	2,873
25,000,000 (March 31, 2018 : 25,000,000) 8% Convertible Cumulative Preference Shares of ₹ 10 each	250	250
Issued, subscribed and Paid up:		
3,157,934,237 [1] (March 31, 2018 : 2,105,289,491 [1]) Equity Shares of ₹ 1 each	3,158	2,105

a. Movement in equity share capital

	Numbers	Amount
As at April 01, 2017	**1,403,526,327**	**1,404**
Add: Bonus shares issued by capitalisation of securities premium account[1]	701,763,164	702
As at March 31, 2018	**2,105,289,491**	**2,105**
Add: Bonus shares issued by capitalisation of securities premium account [1]	1,052,644,746	1,053
As at March 31, 2019	**3,157,934,237**	**3,158**

[1] During the year ended March 31, 2019, the Company allotted 1,052,644,746 (March 31, 2018: 701,763,164) equity shares of ₹ 1 each as bonus shares in proportion of one equity share for every two equity shares held by capitalisation of Securities Premium Account.

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, 2019)

	Aggregate No of Shares issued in five years	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Equity shares allotted as fully paid bonus shares by capitalisation of Securities Premium Account	2,195,367,590	1,052,644,746	701,763,164	-	440,959,680	-

(All amounts in ₹ Million, unless otherwise stated)

d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	March 31, 2019		March 31, 2018	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	703,833,769	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	528,424,861	25.10%

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.

16 (a) Reserves and surplus

	March 31, 2019	March 31, 2018
Reserve on amalgamation	1,663	1,663
Securities premium	26,226	27,279
General reserve	3,363	3,363
Retained earnings	29,836	27,258
Total reserves and surplus	**61,088**	**59,563**

(i) Reserve on amalgamation

	March 31, 2019	March 31, 2018
Opening balance	1,663	1,663
Closing balance	**1,663**	**1,663**

(ii) Securities premium

	March 31, 2019	March 31, 2018
Opening balance	27,279	27,981
Utilisation during the year - issue of bonus shares	(1,053)	(702)
Closing balance	**26,226**	**27,279**

(iii) General reserve

	March 31, 2019	March 31, 2018
Opening balance	3,363	3,363
Closing balance	**3,363**	**3,363**

(iv) Retained earnings

	March 31, 2019	March 31, 2018
Opening balance	27,258	23,467
Additions during the year	8,138	8,791
Remeasurements of post-employment benefit obligation, net of tax	(57)	(25)
Dividend paid [1]	(4,737)	(4,210)
Tax on dividend [1]	(766)	(765)
Closing balance	**29,836**	**27,258**

[1] During the year ended March 31, 2019, the Company has paid dividend of ₹ 2.25 (March 31, 2018: ₹ 2.00) per share to its share holders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authorities on behalf of shareholders. Hence DDT paid is charged to equity.

(All amounts in ₹ Million, unless otherwise stated)

16 (b) Other reserves

	FVOCI equity investments
As at April 01, 2017	**149**
Change in fair value of FVOCI equity instruments	(15)
As at March 31, 2018	**134**
Change in fair value of FVOCI equity instruments	2
As at March 31, 2019	**136**

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

Securities premium 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 the Company which are kept aside out of the Company's profits to meet uture (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) Non-current borrowings

	Non-Current Portion		Current Maturities	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Secured(i)				
Term Loans				
Foreign currency loans from banks	5,524	5,203	-	488
Indian rupee loan from banks	5,750	5,750	-	-
Indian rupee loan from other than banks	-	17	18	16
Unsecured(ii)				
Term Loans				
Indian rupee loan from other than banks	63	57	-	-
Less : Disclosed under Other current financial liabilities (Refer Note 18)			(18)	(504)
Total	**11,337**	**11,027**	**-**	**-**

i) **Secured Loans**[1]

Nature of Security (In case of Secured Loans)	Principal Terms and 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, 2018: ₹ 195 million) fully repaid in August 2018. 2) Nil (March 31, 2018 : ₹ 293 million) fully repaid in 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	₹ 5,524 million (March 31, 2018 :₹ 5,203 million) repayable in March 2022 entirely in one instalment. The applicable rate of interest in respect of foreign currency loans from banks is 0.62% p.a. (March 31, 2018 : 0.6% p.a. to 3.8% p.a) over 6 months US $ Libor and 8% p.a.(March 31, 2018 : 8.05% 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, 2018 : ₹ 5,750 million) 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.	₹ 18 million (March 31, 2018 : ₹ 33 million) repayable in remaining 12 monthly instalments till March 2020 carrying Interest rate of 10.2% p.a.

ii) **Unsecured Loans**

Particulars	Terms of Repayment
Indian Rupee Loan from other than banks	Interest free loan of ₹ 63 million (March 31, 2018 : ₹ 57 million) 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 44

17 (b) Current borrowings

	March 31, 2019	March 31, 2018
Secured[2, 3]		
Working capital loans repayable on demand- from banks[1]		
Indian rupee loan	2	15
Unsecured[3]		
Loans from banks		
Indian rupee loan	-	1
Total	**2**	**16**

[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] The carrying amount of financials and non financial assets pledged as security for short term borrowings is disclosed in Note 44

[3] Short term borrowings carry interest rate ranging from 9% to 12% p.a.

18 Other financial liabilities

	March 31, 2019	March 31, 2018
Non-current		
Retention money	33	35
Security deposit received	54	55
Recovery against Vehicle Loan	77	91
	164	**181**
Current		
Current maturities of long term debt (Refer Note 17(a))	18	504
Interest accrued but not due on borrowings	4	4
Unpaid dividends [1]	44	32
Payables relating purchase of fixed assets	761	240
Security deposit received	2	3
Employee benefits payable	1,103	1,049
Derivatives designated as hedges	665	1,696
Recovery against Vehicle Loan	101	56
Total	**2,698**	**3,584**

[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, 2019	March 31, 2018
Total outstanding dues of micro and small enterprises (Refer Note 48) and	202	144
Total outstanding dues of creditors other than micro, small and medium enterprises	6,331	6,773
Trade payable to related parties (Refer note 40)	2,416	2,005
Total	**8,949**	**8,922**

20 Provisions

	March 31, 2019	March 31, 2018
	Current	Current
For warranties	7	19
For contingencies	1	6
Total	**8**	**25**

Warranty

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.

Contingencies

Provision for contingencies 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		Contingencies	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Opening Balance	19	14	6	6
Additions/(deletion) during the year	(12)	5	(5)	-
Closing Balance	**7**	**19**	**1**	**6**

21 Employee benefit obligations

	March 31, 2019		March 31, 2018	
	Current	Non-current	Current	Non-current
Gratuity	224	-	125	-
Compensated absences	135	424	101	395
for Employee Insurance	-	-	0	-
for Provident fund scheme	1	-	0	-
Total	**360**	**424**	**226**	**395**

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, 2019	March 31, 2018
Obligations at year beginning	1,212	1,026
Service Cost - Current	120	93
Interest expense	91	72
Amount recognised in profit or loss	**211**	**164**
Remeasurements		
Actuarial (gain) / loss from change in financial assumption	25	(13)
Experience (gains)/losses	57	53
Amount recognised in other comprehensive income	**82**	**40**
Payment from plan:		
Benefit payments	(48)	(27)
Addition due to transfer of employee	(3)	8
Obligations at year end	**1,454**	**1,212**

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2019	March 31, 2018
Plan assets at year beginning, at fair value	1,087	808
Interest income	85	65
Amount recognised in profit or loss	**85**	**65**
Remeasurements		
Actuarial (gain) / loss from change in financial assumption	(4)	-
Return on plan assets, excluding amount included in interest income	(2)	2
Amount recognised in other comprehensive income	**(6)**	**2**
Payment from plan:		
Benefit payments	(6)	(5)
Contributions:		
Employers	70	217
Plan assets at year end, at fair value	**1,230**	**1,087**

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2019	March 31, 2018
Present Value of the defined benefit obligations	1,454	1,212
Fair value of the plan assets	1,230	1,087
Amount recognized as Liability	**224**	**125**

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2019	March 31, 2018
Service Cost - Current	120	93
Interest Cost (Net)	6	7
Actuarial (gain) / loss	88	38
Net defined benefit obligations cost	**214**	**138**

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2019	March 31, 2018
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, 2019	March 31, 2018
Discount Rate per annum	7.4%	7.6%
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, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Defined benefit obligations	1,454	1,212	1,026	789	613
Plan assets	(1,230)	(1,087)	(808)	(650)	(460)
Deficit /(Surplus)	**224**	**125**	**218**	**139**	**153**

(viii)Expected Contribution to the Fund in the next year

	For the year ended	
	March 31, 2019	March 31, 2018
Gratuity	228	174

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	
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018
Discount Rate per annum	0.50%	0.50%	Decrease by	(62)	(52)	Increase by	66	56
Future salary increases	1.0%	1.0%	Increase by	139	118	Decrease by	(123)	(104)

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 or 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.

xi) Defined benefit liability and employer contributions

Weighted average duration of the defined benefit obligation is 9 years (March 31, 2018: 9 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, 2019					
Defined benefit obligation (gratuity)	93	114	371	1,067	1,644
March 31, 2018					
Defined benefit obligation (gratuity)	68	94	332	912	1,406

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, 2019	March 31, 2018
Provident fund paid to the authorities	417	397
Employee state insurance paid to the authorities	107	90
Contribution to other funds (Employee welfare etc.)	2	3
	526	**490**

22 Government grants

	March 31, 2019	March 31, 2018
Opening balance	116	126
Grants received during the year	-	7
Released to profit and loss (Refer note 26)	(12)	(17)
Closing balance	**104**	**116**

	March 31, 2019	March 31, 2018
Current portion	12	15
Non-current portion	92	101
Total	**104**	**116**

The Company has received an interest free loan 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.

The Company has also received Government grants relating to the purchase of property, plant and equipment and has presented the grant as deferred income which is credited to profit or loss on a straight-line basis over the expected lives of the related assets.

23 Current tax liabilities/ (Non-current tax assets) (net)

	March 31, 2019	March 31, 2018
Tax assets		
Non-current tax assets (net)	725	201
Tax liabilities		
Current tax liabilities (net)	-	182
Net tax liabilities/ (assets)	**(725)**	**(19)**

24 Other current liabilities

	March 31, 2019	March 31, 2018
Statutory dues including provident fund and tax deducted at source	986	495
Advances received from customers (Refer Note 45)	1,010	1,307
Unearned revenue	8	-
Total	**2,004**	**1,802**

25 (a) Revenue from contract with customers

	For the year ended	
	March 31, 2019	March 31, 2018
Sales of products (including excise duty)		
Finished goods		
Within India	63,203	62,394
Outside India	9,731	8,251
Traded goods	1,025	4,551
Total gross sales	**73,959**	**75,196**
Sale of services	1,148	922
Total revenue from contract with customers (Refer Note 45)	**75,107**	**76,117**

25 (b) Other operating revenue:

Scrap sales	334	288
Job work income	13	14
Export incentives	194	157
Liabilities written back to the extent no longer required	17	19
Miscellaneous other operating income	148	77
Total	**706**	**556**

Revenue from contracts with customers for periods up to June 30, 2017 includes excise duty. From July 01, 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The Company collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year ended March 31, 2019 is not comparable with March 31, 2018. Sales net of excise duty and excise duty on sales amount is given in below table.

	March 31, 2019	March 31, 2018
Excise duty included in sales of goods	-	2,112
Sales of goods net of excise duty	73,959	73,084

26 Other income

	For the year ended	
	March 31, 2019	March 31, 2018
Interest income from financial assets at amortised cost	19	72
Dividend Income		
- From subsidiaries	1,055	484
- From joint ventures	172	215
- From equity investments designated at fair value through OCI	0	2
Rent	69	64
Exchange fluctuation (net)	500	484
Profit on sale of property, plant and equipment (net)	6	12
Government grants & subsidies (Refer note 22)	12	17
Miscellaneous other income	32	54
Total	**1,865**	**1,404**

27 Cost of materials consumed

	For the year ended	
	March 31, 2019	March 31, 2018
Opening stock of raw materials	4,636	3,446
Add : Purchases of raw materials	42,416	39,992
Less: Closing stock of raw materials	5,050	4,636
Total	**42,002**	**38,802**

28 Changes in inventory of finished goods, work-in-progress and stock in trade

	For the year ended	
	March 31, 2019	March 31, 2018
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	1,540	1,358
Work-in-progress	1,768	1,055
Total A	**3,308**	**2,413**
Stock at the end of the year:		
Finished goods	1,908	1,540
Work-in-progress	1,922	1,768
Total B	**3,830**	**3,308**
(Increase)/ decrease in stocks (A-B)	**(522)**	**(895)**

(All amounts in ₹ Million, unless otherwise stated)

29 Employee benefit expense

	For the year ended	
	March 31, 2019	March 31, 2018
Salary, wages & bonus	9,975	8,950
Contribution to provident & other fund (Refer note 21)	526	490
Gratuity (Refer note 21)	126	100
Staff welfare expenses	1,158	1,079
Total	**11,785**	**10,619**

30 Other expenses

	For the year ended	
	March 31, 2019	March 31, 2018
Electricity, water and fuel	1,400	1,346
Repairs and maintenance:		
Machinery	996	829
Building	479	566
Others	316	362
Consumption of stores and spare parts	699	818
Conversion charges	229	266
Excise duty expenses[1]	0	(95)
Lease rent (operating leases) (Refer note 46)	751	705
Rates & taxes	45	74
Insurance	137	120
Donation	19	18
Travelling	640	692
Freight & forwarding	1,331	1,292
Royalty	90	84
Cash Discount	1	-
Commission	58	53
Provision for diminution in value of investments	20	-
Bad debts/ advances written off	0	-
Provision for doubtful debts/advances	-	7
Legal & professional expenses (Refer note (a) below)	1,083	1,187
Expenditure towards corporate social responsibility (CSR) activities (Refer note (b) below)	130	8
Miscellaneous expenses	777	1,304
Total	**9,201**	**9,636**

[1] Represents excise duty related to the differences between the closing stock and the opening stock.

(All amounts in ₹ Million, unless otherwise stated)

(a) Payment to auditors:

	For the year ended	
	March 31, 2019	March 31, 2018
As Auditor:		
Audit fees (including limited review)	37	38
Other services	0	11
Reimbursement of expenses	3	6
Total	**40**	**55***

* includes audit fees paid to predecessor auditor also

(b) Corporate social responsibility expenditure

		For the year ended	
		March 31, 2019	March 31, 2018
(i)	Contribution to Swarn Lata Motherson Trust	127	-
(ii)	Contribution for the promotion of education & other Initiatives	-	0
(iii)	Contribution towards welfare of the society	3	8
	Total	**130**	**8**
	Amount required to be spent as per Section 135 of the Act	209	177
	Amount spent during the year on:		
(i)	Construction/acquisition of asset	-	-
(ii)	Purpose other than (i) above	130	8
		130	**8**

31 Finance costs

	For the year ended	
	March 31, 2019	March 31, 2018
Interest on long term borrowings	105	133
Exchange differences regarded as an adjustment to borrowing costs[1]	(175)	164
Other finance costs	246	136
Total	**176**	**433**

[1] Includes foreign exchange loss/ (gain) on long term loan facilities of ₹ 369 million (March 31, 2018 : ₹ (29) million) and Mark to Market gain/ (loss) on derivatives of ₹ (543) million (March 31,2018: ₹ (136) million)

32 Depreciation and amortization expense

	For the year ended	
	March 31, 2019	March 31, 2018
Depreciation on property, plant and equipment	2,178	2,119
Amortization on intangible assets	4	5
Depreciation on investment Property	20	65
Less: capitalised during the year[1]	(9)	(6)
Total	**2,193**	**2,183**

[1] Includes depreciation of ₹ 9 million (March 31, 2018 : ₹ 6 million) capitalised during the year on assets used for creation of self generated assets (Refer note 3).

(All amounts in ₹ Million, unless otherwise stated)

33 Income tax expense

(a) Income tax expense

	For the year ended	
	March 31, 2019	**March 31, 2018**
Current tax		
Current income tax charged	3,463	4,016
Adjustments for current tax of prior years	(357)	0
Total current tax expense	**3,106**	**4,016**
Deferred tax (Refer note 10)		
Decrease/ (increase) in deferred tax assets (net)	980	(700)
Total deferred tax expense / (benefit)	**980**	**(700)**
Income tax expense	**4,086**	**3,316**
Income tax expense is attributable to:		
Profit from continuing operations	4,086	3,316
	4,086	**3,316**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended	
	March 31, 2019	**March 31, 2018**
Profit before income tax expense	12,224	12,107
Tax at India's tax rate of 34.944%	**4,271**	**4,190**
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)	(376)	(237)
Weighted deduction for expenditure incurred on research and development	(62)	(58)
Adjustments for tax of prior periods	155	0
Tax deductions under Chapter VIA	(61)	(1)
Tax impact on effective portion of fair value hedge	171	(547)
Other adjustments	(12)	(32)
Income tax expense	**4,086**	**3,316**

34 Earnings per share

		March 31, 2019	**March 31, 2018**
a)	**Basic**		
	Net profit after tax	8,138	8,791
	Equity shares outstanding at the beginning of the year	2,105,289,491	1,403,526,327
	Add: Bonus shares issued by capitalisation of securities premium	1,052,644,746	701,763,164
	Add: impact of bonus share issued in FY 2018-19 on weighted average number of equity share to calculate earning per shares for FY 2017-18	-	1,052,644,746
	Weighted average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
	Basic earnings (in ₹) per Share of ₹ 1 each. (March 31, 2018 : ₹ 1 each)	**2.58**	**2.78**

		March 31, 2019	March 31, 2018
b)	**Diluted (Refer note (i) below)**		
	Net profit after tax available for equity Shareholders	8,138	8,791
	Weighted average number of Equity Shares of ₹ 1 each (March 31, 2018 : ₹ 1 each)	3,157,934,237	3,157,934,237
	Diluted earnings (in ₹) per share of ₹ 1 each. (March 31, 2018 : ₹ 1 each)	**2.58**	**2.78**

(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 The following expenses incurred on Research and Development is included under respective account heads:

	For the year ended	
	March 31, 2019	March 31, 2018
Employee benefit expenses	178	153
Other expenses	60	52
Capital expenditure	39	52

36 Fair value measurements

Financial instruments by category

	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised Cost*	FVPL	FVOCI	Amortised Cost*
Financial assets						
Investments	-	198	-	-	195	-
Trade receivables	-	-	8,090	-	-	9,250
Loans	-	-	168	-	-	177
Cash and cash equivalents	-	-	1,382	-	-	1,054
Other financial assets	-	-	1,939	-	-	2,197
Total financial assets	**-**	**198**	**11,579**	**-**	**195**	**12,678**
Financial Liabilities						
Borrowings	-	-	11,357	-	-	11,547
Trade payables	-	-	8,948	-	-	8,922
Other financial liabilities	665	-	2,180	1,696	-	1,565
Total financial liabilities	**665**	**-**	**22,485**	**1,696**	**-**	**22,034**

i. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2019

	Level1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	10	-	-	**10**
Unquoted equity investments	-	-	188	**188**
Total	**10**	**-**	**188**	**198**
Financial liabilities				
Borrowings	-	-	11,357	**11,357**
Other financial liabilities	-	665	164	**830**
Total financial liabilities	**-**	**665**	**11,521**	**12,187**

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2018

	Level1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	9	-	-	**9**
Unquoted equity investments	-	-	186	**186**
Total	**9**	**-**	**186**	**195**
Financial liabilities				
Borrowings	-	-	11,547	**11,547**
Other financial liabilities	-	1,696	181	**1,877**
Total financial liabilities	**-**	**1,696**	**11,728**	**13,424**

*The carrying amounts of trade receivables, loans, cash and cash equivalents, other financial assets, trade payables and other financial liabilities 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 covered under level 3 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, 2019 and March 31, 2018:

	Unquoted equity instruments
As at March 31, 2017	**207**
Additions during the year	-
Disposals during the year	-
Gains/(losses) recognised in other comprehensive income	(21)
As at March 31, 2018	**186**
Additions during the year	-
Disposals during the year	-
Gains/(losses) recognised in other comprehensive income	2
As at March 31, 2019	**188**

iv. Fair value of non current financial assets and liabilities measured at amortised cost

	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loan to employees[1]	58	58	48	48
	58	**58**	**48**	**48**
Financial liabilities				
Borrowings[2]	11,337	11,337	11,027	11,027
Other financial liabilities[1]	164	164	181	181
	11,501	**11,501**	**11,208**	**11,208**

[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 financial year 2016-17 loan amounting to ₹ 10,975 million was taken at market rates. Loan amounting to ₹ 5,524 million as at March 31, 2019 (March 31, 2018: ₹ 5,724 million) carries floating rate of interest and hence are adjusted to current market rates. The Company has taken interest rate swap for the borrowing with fixed interest rate amounting to ₹ 5,750 million, because of this, effective finance cost to the company is at current market rate.

Note: The carrying amounts of current financial assets and current financial liabilities i.e. trade receivables, loans, other financial assets, trade payables, short term borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

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:

	Fair Value as at	
	March 31, 2019	March 31, 2018
Unquoted equity instruments	188	186
Significant unobservable inputs[1]		
Earnings growth rate	4%	5%
Risk adjusted discount rate	16%	16%
Sensitivity		
Impact of change in risk adjusted discount rate[2]		
Decrease in discount rate by 0.50%	19	13
Increase in discount rate by 0.50%	(17)	(12)
Impact of change in earnings growth rate[2]		
Decrease in growth rate by 0.50%	(14)	(10)
Increase in growth rate by 0.50%	16	11

[1] There were no significant inter-relationships between unobservable inputs that materially affect fair values

[2] Holding all the other variables constant

37 (a) Financial risk management

The Company in its capacity as an internationally active supplier for the automobile industry is exposed to various risks i.e., market risk, liquidity risk and credit risk. 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 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 Company 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.

Below are the major risks which can impact the Company:

A Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

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.

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 hedged and unhedged foreign currency exposure is as follows:

(i) Derivatives outstanding as at the reporting date

Particulars/ Purpose	Currency (Amoun in million)	As At March 31, 2019	As At March 31, 2018
Cross currency swap	USD : EUR	USD 80; EUR 74	USD 80; EUR 74
	INR : EUR	INR 5,750; EUR 81	INR 5,750; EUR 81

(ii) Particular of unhedged foreign exposure as at the reporting date (Net exposure to foreign currency risk)

	March 31, 2019 Payable / (Receivable)		March 31, 2018 Payable / (Receivable)	
	Amount in Foreign currency in million	Amount in ₹	Amount in Foreign currency in million	Amount in ₹
AUD	(0)	(7)	(0)	(13)
CHF	0	11	0	8
CNY	19	191	-	-
EUR	(4)	(297)	(6)	(467)
GBP	0	27	(0)	(9)
JPY	2,294	1,433	2,043	1,259
SEK	0	1	0	0
SGD	0	2	0	5
THB	14	30	11	23
USD	92	6,389	102	6,669
AED	-	-	(0)	(2)
ZAR	0	0	-	-

Foreign currency sensitivity on unhedged exposure

1% increase / decrease in foreign exchange rates will have the following impact on profit before tax:

	Impact on profit before tax	
	March 31, 2019	March 31, 2018
Increase by 1% in forex rate	(78)	(75)
Decrease by 1% in forex rate	78	75

(iii) Mark to market losses / (gain) on cross currency interest rate swaps

	For the year ended	
	March 31, 2019	March 31, 2018
Mark to Market losses/(gain) on cross currency interest rate swaps	(1,031)	1,770

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, 2019 and March 31, 2018, the Company's borrowings at variable rate were mainly denominated in ₹ 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, 2019	March 31, 2018
Variable rate borrowings	5,544	5,740
Fixed rate borrowings	5,813	5,807
Total borrowings	**11,357**	**11,547**

An analysis by maturities is provided in Note [c (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 before tax	
	March 31, 2019	March 31, 2018
Interest rates-increase by 50 basis points*	(28)	(29)
Interest rates-decrease by 50 basis points*	28	29

* Holding all other variables constant

B 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.

Trade 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 and impairment.

Financial instruments and cash deposits

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.

C 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, 2019	March 31, 2018
Floating rate		
- Expiring within one year (cash credit and other facilities)	5,998	5,984

(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:

Year Ended March 31, 2019	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	92	11,516	-	**11,608**
Trade payables	8,949	-	-	**8,949**
Other financial liabilities	2,680	164	-	**2,844**
Total non-derivative liabilities	**11,721**	**11,680**	**-**	**23,401**

Year Ended March 31, 2018	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	602	11,283	-	**11,885**
Trade payables	8,922	-	-	**8,922**
Other financial liabilities	3,080	181	-	**3,261**
Total non-derivative liabilities	**12,604**	**11,464**	**-**	**24,068**

(All amounts in ₹ Million, unless otherwise stated)

37 (b) Details related to hedging instrument

Fair value hedge	Nominal amount of the hedging instrument (in million)	Carrying amount of hedging instrument		Line item in balance sheet where hedging instrument is disclosed	Change in fair value for calculating hedge ineffectiveness
		Assets	Liabilities		
March 31, 2019:					
(i) Cross currency interest rate swap	USD 80; EUR 74	-	209	Other financial liabilities	(596)
	₹ 5,750; EUR 81	-	456		(435)
(ii) Loan	USD 80	-	5,532	Non-current borrowings	318
	₹ 5,750	-	5,750		-
March 31, 2018:					
(i) Cross currency interest rate swap	USD 80; EUR 74	-	805	Other financial liabilities	800
	₹ 5,750; EUR 81	-	891		915
(ii) Loan	USD 80	-	5,214	Non-current borrowings	26
	₹ 5,750	-	5,750		-

(c) Details related to hedged item

Fair value hedge	Carrying amount of hedged item		Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of the hedged item		Line item in balance sheet where hedging item is disclosed	Change in value used for calculating hedge ineffectiveness	Accumulated amount of fair value adjustments on the hedged item included in the carrying amount of hedged item that have ceased to be adjusted for hedging gains and losses
	Assets	Liabilities	Assets	Liabilities			
For March 31, 2019:							
(i) Investment	13,810		1,092	-	Non-current investments	(487)	-
For March 31, 2018:							
(i) Investment	14,298		1,579	-	Non-current investments	1,579	-

Details of impact of fair value hedge on statement of profit and loss

Fair value hedge	Ineffectiveness recognized in profit or loss	Line items in profit and loss
For year ended on 31 March 2019:		
(i) Investment	(226)	Finance cost
For year ended on 31 March 2018:		
(i) Investment	162	Finance cost

38 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, 2019	March 31, 2018
Net Debt	10,019	10,525
EBITDA	14,592	14,723
Net Debt to EBITDA	**0.69**	**0.71**

(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, 2019	March 31, 2018
On Equity shares of ₹ 1 each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	4,737	4,210
Dividend per equity share	2.25	2.00

39 Distribution made and proposed

	March 31, 2019	March 31, 2018
Cash dividends on equity		
Final cash dividend for the year ended on March 31, 2018: ₹ 2.25 (March 31, 2017: ₹ 2.00) per share	4,737	4,210
DDT on final dividend*	766	765
Proposed		
Final cash dividend for the year ended on March 31, 2019: ₹ 1.5 per share (March 31, 2018: ₹ 2.25 per share)	4,737	4,737
DDT on proposed dividend	974	964
	5,711	**5,701**

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31, 2019.

* Actual amount of dividend distribution tax (DDT) deposited is in accordance with provision of Income Tax Act.

40 Related Party Disclosures

I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

a. Promoters / Entities with joint control over the entity

			Ownership interest	
	Name	Place of incorporation	March 31, 2019	March 31, 2018
1	Samvardhana Motherson International Limited	India	33.43%	33.43%
2	Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.10%

Relationship where control exists

b. Subsidiaries of the Company

1 MSSL Mauritius Holdings Limited
2 Motherson Electrical Wires Lanka Private Limited
3 MSSL Mideast (FZE)
4 MSSL (S) Pte Limited
5 MSSL Automobile Component Limited
6 Samvardhana Motherson Polymers Limited
7 Motherson Polymers Compounding Solution Limited
8 MSSL (GB) Limited
9 Motherson Wiring System (FZE)
10 MSSL Tooling (FZE)

11 MSSL GmbH
12 Samvardhana Motherson Invest Deutschland GmbH
13 MSSL Advanced Polymers s.r.o.
14 Motherson Techno Precision GmbH
15 MSSL s.r.l. Unipersonale
16 Samvardhana Motherson Polymers Management Germany GmbH
17 Motherson Techno Precision México, S.A. de C.V
18 MSSL Manufacturing Hungary Kft
19 Motherson Air Travel Pvt Ltd
20 MSSL Australia Pty Limited
21 Motherson Elastomers Pty Limited
22 Motherson Investments Pty Limited
23 MSSL Ireland Private Limited
24 MSSL Global RSA Module Engineering Limited
25 MSSL Japan Limited
26 Vacuform 2000 (Proprietary) Limited
27 MSSL México, S.A. De C.V.
28 MSSL WH System (Thailand) Co., Ltd
29 MSSL Korea WH Limited
30 MSSL Consolidated Inc.
31 MSSL Overseas Wiring System Ltd. (liquidated on January 29, 2019)
32 MSSL Wiring System Inc
33 Alphabet de Mexico, S.A. de C.V.
34 Alphabet de Mexico de Monclova, S.A. de C.V.
35 Alphabet de Saltillo, S.A. de C.V.
36 MSSL Wirings Juarez, S.A. de C.V.
37 Samvardhana Motherson Global Holdings Ltd.
38 Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV)
39 Samvardhana Motherson Reflectec Group Holdings Limited (SMR)
40 SMR Automotive Technology Holding Cyprus Limited
41 SMR Automotive Mirror Parts and Holdings UK Ltd
42 SMR Automotive Holding Hong Kong Limited
43 SMR Automotive Systems India Limited
44 SMR Automotive Systems France S.A.
45 SMR Automotive Mirror Technology Holding Hungary KFT
46 SMR Patents S.à.r.l.
47 SMR Automotive Technology Valencia S.A.U.
48 SMR Automotive Mirrors UK Limited
49 SMR Automotive Mirror International USA Inc.
50 SMR Automotive Systems USA Inc.
51 SMR Automotive Beijing Company Limited

52 SMR Automotive Yancheng Co. Limited
53 SMR Automotive Mirror Systems Holding Deutschland GmbH
54 SMR Holding Australia Pty Limited
55 SMR Automotive Australia Pty Limited
56 SMR Automotive Mirror Technology Hungary BT
57 SMR Automotive Modules Korea Ltd.
58 SMR Automotive Beteiligungen Deutschland GmbH
59 SMR Hyosang Automotive Ltd.
60 SMR Automotive Mirrors Stuttgart GmbH
61 SMR Automotive Systems Spain S.A.U.
62 SMR Automotive Vision Systems Mexico S.A. de C.V.
63 SMR Automotive Servicios Mexico S.A. de C.V.
64 SMR Grundbesitz GmbH & Co. KG
65 SMR Automotive Brasil Ltda.
66 SMR Automotive System (Thailand) Limited
67 SMR Automotives Systems Macedonia Dooel Skopje
68 SMR Automotive Operations Japan K.K.
69 SMR Automotive (Langfang) Co. Ltd
70 SMR Automotive Vision System Operations USA INC
71 SMR Mirror UK Limited
72 Motherson Innovations Company Limited
73 Motherson Innovations Deutschland GmbH
74 Samvardhana Motherson Global (FZE)
75 SMR Automotive Industries RUS Limited Liability Company
76 Samvardhana Motherson Peguform GmbH (SMP)
77 SMP Automotive Interiors (Beijing) Co. Ltd.
78 SMP Deutschland GmbH
79 SMP Logistik Service GmbH
80 SMP Automotive Solutions Slovakia s.r.o.
81 Changchun Peguform Automotive Plastics Technology Co., Ltd.
82 Foshan Peguform Automotive Plastics Technology Co. Ltd.
83 Shenyang SMP Automotive Plastic Component Co. Ltd.
84 Tianjin SMP Automotive Component Company Limited
85 SMP Automotive Technology Management Services (Changchun) Co. Ltd.
86 SMP Automotive Technology Iberica S.L.
87 Samvardhana Motherson Peguform Barcelona S.L.U
88 SMP Automotive Technologies Teruel Sociedad Limitada
89 Samvardhana Motherson Peguform Automotive Technology Portugal S.A.
90 SMP Automotive Systems Mexico S.A. de C.V.
91 SMP Automotive Produtos Automotivos do Brasil Ltda.
92 SMP Automotive Exterior GmbH

93 Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
94 Samvardhana Motherson Innovative Autosystems Holding Company BV
95 SM Real Estate GmbH
96 Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.
97 SMP Automotive Systems Alabama Inc.
98 Celulosa Fabril S.A.
99 Modulos Ribera Alta S.L.Unipersonal
100 Motherson Innovations Lights GmbH & Co KG
101 Motherson Innovations Lights Verwaltungs GmbH
102 MSSL Estonia WH OÜ
103 PKC Group Plc
104 PKC Wiring Systems Oy
105 PKC Netherlands Holding B.V.
106 PKC Group Poland Sp. z o.o.
107 PKC Wiring Systems Llc
108 PKC Group APAC Limited
109 PKC Group Canada Inc.
110 PKC Group USA Inc.
111 PKC Group Mexico S.A. de C.V.
112 Project del Holding S.a.r.l.
113 PK Cables do Brasil Ltda
114 PKC Eesti AS
115 TKV-sarjat Oy
116 PKC SEGU Systemelektrik GmbH
117 PK Cables Nederland B.V.
118 Groclin Luxembourg S.à r.l.
119 PKC Vehicle Technology (Suzhou) Co., Ltd.
120 AEES Inc.
121 PKC Group Lithuania UAB
122 PKC Group Poland Holding Sp. z o.o.
123 OOO AEK
124 Kabel-Technik-Polska Sp. z o.o.
125 T.I.C.S. Corporation
126 AEES Power Systems Limited partnership
127 Fortitude Industries Inc.
128 AEES Manufactuera, S. De R.L de C.V.
129 Cableodos del Norte II, S. de R.L de C.V.
130 Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
131 Arneses y Accesorios de México, S. de R.L de C.V.

132 Asesoria Mexicana Empresarial, S. de R.L de C.V.
133 Arneses de Ciudad Juarez, S. de R.L de C.V.
134 PKC Group de Piedras Negras, S. de R.L. de C.V.
135 PKC Group AEES Commercial S. de R.L de C.V
136 Jiangsu Huakai-PKC Wire Harness Co., Ltd.
137 PKC Vechicle Technology (Hefei) Co, Ltd.
138 Shangdong Huakai-PKC Wire Harness Co., Ltd.
139 Global Environment Management (FZC)
140 Global Environment Management Australia Pty Limited (liquidated on April 20, 2018)
141 SMRC Automotive Interiors Management B.V.
142 SMRC Automotive Holdings B.V.
143 SMRC Automotive Holdings Netherlands B.V.
144 SMRC Automotives Techno Minority Holdings B.V.
145 SMRC Smart Automotive Interior Technologies USA, LLC
146 SMRC Automotive Modules France SAS
147 Reydel Automotive Holdings Spain, S.L.U.
148 SMRC Automotive Interiors Spain S.L.U.
149 Reydel Automotive Croatia d.o.o.
150 Reydel Automotive Morocco SAS
151 SMRC Automotive Modules Russia LLC
152 SMRC Smart Interior Systems Germany GmbH
153 Reydel Automotive Poland S.A.
154 SMRC Automotive Solutions Slovakia s.r.o.
155 SMRC Automotive Holding South America B.V.
156 SMRC Automotive Modules South America Minority Holdings B.V.
157 Reydel Automotive Argentina S.A.
158 Reydel Automotive Brazil Indústria e Comércio de Sistemas Automotivos Ltda.
159 SMRC Automotive Products India Private Ltd.
160 SMRC Automotive Smart Interior Tech Thailand Ltd.
161 SMRC Automotive Interiors Japan Ltd.
162 Shanghai Reydel Automotive Technology Consulting Co., Ltd
163 PT SMRC Automotive Technology Indonesia
164 Yujin-SMRC Automotive Modules Corp.
165 Reydel Automotive Phils Inc.
166 Motherson Rolling Stock Systems GB Limited
167 Motherson Innovations LLC
168 Samvardhana Motherson Corp Management Shanghai Co Ltd.
169 MSSL M Tooling Ltd
170 Motherson Osia Innovation llc.

c. Joint Ventures:

1 Kyungshin Industrial Motherson Private Limited
2 Calsonic Kansei Motherson Auto Products Private Limited
3 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited (Indirectly through Subsidiary)
4 Chongqing SMR Huaxiang Automotive Products Limited (Indirectly through Subsidiary)
5 Tianjin SMR Huaxiang Automotive Part Co. Limited (Indirectly through Subsidiary)
6 Eissmann SMP Automotive Interieur Slovensko s.r.o (Indirectly through Subsidiary)

d. Associate Companies:

1 Saks Ancillaries Limited
2 Re-time Pty Limited
3 Hubei Zhengao PKC Automotive Wiring Company Ltd.

II. Details of transactions, in the ordinary course of business at commercial terms, and balances with related parties as mentioned in 38 (I) above:

(a) Key management personnel compensation

	March 31, 2019	March 31, 2018
Short-term employee benefits	55	43
Directors commission/sitting fees	21	20
Post-employment benefits payable	40	34
Long-term employee benefits payable	14	12

(All amounts in ₹ Million, unless otherwise stated)

(b) Transactions with related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Sale of products	5,711	5,185	1,190	1,133	-	-	4	3	344	265
2	Sales of services	126	92	691	628	-	-	14	10	6	13
3	Rent income	-	-	29	28	-	-	-	-	26	22
4	Sale of property, plant and equipment	-	0	-	-	-	-	0	-	1	-
5	Purchase of goods	1,670	1,429	6	12	-	-	6,319	5,819	1,353	1,703
6	Purchase of fixed assets	10	16	-	-	-	-	44	108	1,830	1,283
7	Purchase of services	246	162	0	1	-	-	55	57	1,265	1,244
8	Rent expense	-	-	-	-	5 *	5 *	31	10	457	715
9	Reimbursement made	130	133	0	2	0	0	7	10	26	30
10	Reimbursement received	53	54	2	1	-	-	8	1	5	5
11	Royalty	-	-	-	-	-	-	91	82	-	-
12	Dividend paid	-	-	-	-	135 **	120 **	2,773	2,522	5	5
13	Dividend received	1,055	484	172	215	-	-	-	-	-	2
14	Guarantee given during the year	13,748	-	-	-	-	-	-	-	-	-

(c) Outstanding balances arising from sales / purchases of goods and services

S. No.	Particulars	Subsidiaries		Joint ventures		Associate Companies		Joint control over the entity		Other related parties	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Trade Payable	336	299	0	2	-	-	1,512	1,106	568	598
2	Trade Receivable	1,137	1,248	223	167	-	-	1	1	94	81
3	Advances recoverable	2	23	0	-	-	-	0	0	178	341
4	Advances from customer	110	22	-	-	-	-	0	-	1	0
5	Investments	44,317	44,317	486	486	11	11	-	-	14	14
6	Guarantees given	19,953	6,424	-	-	-	-	-	-	-	-

(All amounts in ₹ Million, unless otherwise stated)

(d) Loans & advances to / from related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Other related parties	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
i.	**Security deposits given:**						
	Beginning of the year	-	-	-	-	427	393
	Security deposit given	-	-	-	-	68	46
	Security deposits received back	-	-	-	-	(31)	(12)
	End of the year	**-**	**-**	**-**	**-**	**464**	**427**
ii.	**Security Deposit Received:**						
	Beginning of the year	-	-	35	35	16	16
	Security deposits repaid	-	-	-	-	(2)	-
	End of the year	**-**	**-**	**35**	**35**	**14**	**16**
iii.	**Loans given**						
	Beginning of the year	11	10	-	-	-	-
	Loans given	2	-	-	-	-	-
	Interest charged	1	1	-	-	-	-
	End of the year	**14**	**11**	**-**	**-**	**-**	**-**

* Rent of ₹ 5 million (March 31, 2018: ₹ 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of ₹ 135 million (March 31, 2018 : ₹ 120 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, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri and Alok Goel

41 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. Disaggregated revenue information

i) Revenue from external customers

	March 31, 2019	March 31, 2018
India	65,868	68,185
Outside India	9,944	8,488
Total	**75,813**	**76,673**

(All amounts in ₹ Million, unless otherwise stated)

Type of goods or Services	March 31, 2019
Sales of Components	72,934
Tool development	1,025
Others operating revenue	1,148
Total revenue from contracts with customers	**75,107**

Timing of revenue recognition	March 31, 2019
As a point in time	74,082
Over a period of time	1,025
Total revenue from contracts with customers	**75,107**

As permitted under the transitional provisions in IND AS 115, the transaction price allocated to (partially) unsatisfied performance obligations as of March 31, 2018 is not disclosed.

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, 2019	March 31, 2018
India	19,208	16,852
Outside India	0	2
Total	**19,208**	**16,854**

iii)

	March 31, 2019	March 31, 2018
Capital expenditure	3,976	3,040

iv) 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, 2019	March 31, 2018
Customer 1	25,171	26,347

42 Capital and Other Commitments

Capital expenditure contracted at the end of the reporting period but not recognised as liabilities is as follows:

	March 31, 2019	March 31, 2018
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (net of advances of ₹ 97 million (March 31, 2018: ₹ 275 million))	997	1,391
Investment property		
Estimated value of purchase consideration outstanding, (net of advances of Nil (March 31, 2018: ₹ 132 million))	3	27
Total	**1,000**	**1,418**

43 Contingent liabilities:

Claims against the Company not acknowledged as debts

		March 31, 2019	March 31, 2018
a)	Excise, sales tax and service tax matters*	94	85
b)	Claims made by workmen	41	39
c)	Income tax matters	120	123

* Against which Company has given bank guarantees amounting to ₹ 6 million (March 31, 2018 : ₹ 5 million)

a) The Company does not expect any reimbursements in respect of the above contingent liabilities.

b) The Company has assessed that it is only possible but not probable that outflow of economic resources will be required.

44 Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are as follows:

	Notes	March 31, 2019	March 31, 2018
Current:			
Financial assets			
First charge			
Cash and cash equivalents	13(a)	1,333	1,016
Trade receivables	8	8,090	9,250
Inventory	12	10,551	9,242
Other current assets		3,902	3,532
Total current assets pledged as security		**23,876**	**23,040**
Non Current:			
First charge			
Freehold and leasehold land	3	2,586	2,331
Buildings and leasehold improvements	3	7,041	6,346
Plant & Machinery	3	7,067	5,665
Other items of PPE	3	393	302
Investment property	4	872	822
Non current investment@	6(a)	24,705	24,705
Capital advance	11	-	132
Total non-current assets pledged as security		**42,664**	**40,303**
Total assets pledged as security		**66,540**	**63,343**

@ All the shares of the subsidiary, MSSL (GB) Limited apart from security against loan taken by the company as explained in Note 17(a), have also pledged against the loan amounting Euro 70 Million taken by MSSL (GB) Limited.

45 Ind AS 115 Revenue from contracts with customers

Effective April 1, 2018, the Company has adopted Ind AS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue and has made appropriate adjustments to these results where significant. In certain contracts, it has been assessed that the Company is acting as an agent and therefore, revenue has been recognised excluding the cost of components sold. This change in presentation has resulted in decrease in gross sales by ₹ 3,624 million and does not have impact on profit before tax. The figures for the corresponding periods have not been restated since not required.

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2019
Within one year	496
More than one year	-
Total	**496**

Table below provides information on revenue recognised from :

	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	285
Performance obligations partly satisfied in previous years	216

As permitted under the transitional provisions in IND AS 115, the transaction price allocated to (partially) unsatisfied performance obligations as of March 31, 2018 is not disclosed.

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2019	March 31, 2018
Receivables	8,090	9,250
Contract assets	1,214	1,527
Contract liabilities	1,010	1,307

46 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, 2019	March 31, 2018
Payable not later than 1 year	4	9
Payable later than 1 year and not later than 5 years	14	16
Payable later than 5 years	0	7
	18	**32**

	March 31, 2019	March 31, 2018
With respect to all operating leases;		
Lease payments recognized in the Statement of Profit and Loss during the year	751	705

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, 2019	March 31, 2018
Disclosed under long term borrowings	-	-

47 Standard issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and has amended the following standard:

A Ind AS 116 Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Company will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019. The Company will apply the standard to its leases, prospectively using the modified retrospective method as mandated by Para C5(b) and Para C8(c)(ii) of Ind AS 116. Accordingly, The Company will not restate comparative information and there will no cumulative effect of initially applying this Standard to be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, The Company will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. The lease liability and right-of-use asset is discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, The Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, The Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

The Company will recognise with effect from April 1, 2019 new assets and liabilities for its operating leases of premises and other assets. The nature of expenses related to those leases will change from lease rent in previous periods to a) amortisation charge for the right- to use asset , and b) interest accrued on lease liability.

Previously, The Company recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

The Company is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements. The Company is also in the process of quantifying the impact of the standard on its balance sheet on the date of initial application.

B Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately

- The assumptions an entity makes about the examination of tax treatments by taxation authorities

- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates

- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The interpretation is effective for annual reporting periods beginning on or after April 01,2019, but certain transition reliefs are available. The Company will apply the interpretation from its effective date.

C Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after April 01,2019. The Company is in the process of quantifying the impact of amendment to Ind AS 109.

D Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.

- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after April 01,2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Company. The Company is in the process of quantifying the impact of amendment to Ind AS 19.

E Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after April 01,2019. Since the Group's current practice is in line with these amendments. The Company is in the process of quantifying the impact of amendment to Ind AS 12.

F Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after April 01,2019. The Company's current practice is in line with these amendments. The Company is in the process of quantifying the impact of amendment to Ind AS 23.

48 Dues 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:

	March 31, 2019	March 31, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	202	144
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	3	7
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	1,864	800
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	14	4
Further interest remaining due and payable for earlier years	-	4

49 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, 2019	March 31, 2018
Loan to Subsidiary : Samvardhana Motherson Polymer Limited		
Balance as at year end	2	-
Maximum amount outstanding at any time during the year	2	-

	March 31, 2019	March 31, 2018
Loan to Subsidiary: Motherson Polymers Compounding Solution Limited		
Balance as at year end	12	10
Maximum amount outstanding at any time during the year	12	10

b) Investment by the loanees in the shares of the Company: The loanees have not made any investment in the shares of the Company.

50 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Company

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

For and on behalf of the Board

V.C. SEHGAL
Chairman

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Motherson Sumi Systems Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates and joint ventures comprising of the consolidated Balance sheet as at March 31 2019, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 as amended ("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, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them to us, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Business Combination Accounting for acquisition of Reydel Automotive Group (as described in note 2.1 m and 50 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>On August 2, 2018, the Group completed the acquisition of the Reydel Automotive Group (renamed as Samvardhana Motherson Reydel group of companies or 'SMRC') through one of its subsidiaries. The total payment made by the Group for the acquisition was INR 13,767 million.
At acquisition date the investment is recorded at fair value which generated a bargain purchase of INR 968 million.
The identification and fair valuation of assets and liabilities for this transaction involves significant judgement and complexity.
Accordingly, the matter has been identified as KAM.</td><td>The procedures performed by us and other auditors includes following:
• Obtained an understanding of the purchase price allocation process followed by the management;
• Read relevant transaction agreements, meeting minutes and the underlying documentation for the consideration paid;
• Evaluated the compliance of the accounting method in accordance with IND AS 103, "Business Combination";
• Involved experts to assist in our review of the valuation methodologies, assumptions, procedures followed for the determination and evaluation of the identifiable assets and liabilities, by management either internally or through the use of specialists;
• Performed necessary procedures on the assets and liabilities identified as part of the acquisition as at the date of acquisition;
• Obtained analysis from the management to understand the rationale for the bargain purchase and the disclosure thereof ;
• Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements</td></tr>
<tr><td colspan="2">De-recognition of trade receivables under factoring facilities (as described in note 2.1 q and 8 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>The Group enters into recourse/non-recourse factoring arrangements for its trade receivables with various banks/financial institutions.
As at 31 March 2019 the Group had factoring facilities in place for trade receivables amounting to INR 46,896 million which were de-recognized by using these facilities.
The Group derecognizes the receivables from its books if it transfers substantially all the risks and rewards of ownership of the financial asset (i.e. receivables).
The assessment of de-recognition of trade receivables under the factoring facilities is complex and requires judgement.
Accordingly, the matter has been identified as KAM.</td><td>The procedures performed by us and other auditors includes following:
• Evaluated the assessment made by management covering factoring contracts;
• For certain contracts, tested the nature of the contracts if they qualify as recourse or non-recourse agreements and if the accounting is line with the Ind AS 109, "Financial Instruments";
• Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.</td></tr>
</table>

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Revenue Recognition under Ind AS 115, "Revenue from contracts with customers" (as described in note 2.1 h and 45 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>Ind AS 115 has become applicable on the Group with effect from April 1, 2018 which prescribes detailed guidance for various elements of revenue recognition and requires detailed contract assessment as per the accounting principles prescribed under the newly applicable accounting standard.
The application of new revenue accounting standard involves certain key judgements and interpretations relating to identification of separate performance obligations, principal versus agent considerations, recognition of revenue over the period and recognition of contract acquisition costs.
Accordingly, the matter has been identified as KAM.</td><td>The procedures performed by us and other auditors includes following:
• Assessed the process followed by the management to identify the impact of adoption of new revenue accounting standard;
• Selecting a sample of contracts for each of the key scope in components and evaluated them along with supporting evidence to determine whether various elements of revenue recognition are assessed in accordance with the principles prescribed under Ind AS 115;
• Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.</td></tr>
<tr><td colspan="2">Impairment assessment of Goodwill and Property, Plant and Equipment (PPE) (as described in note 2.1 n, 3 and 5 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>In earlier years, the Group acquired certain businesses. One of such acquisitions resulted in significant goodwill amounting to INR 18,306 million as at March 31, 2019. Further, the Group has a total balance of PPE as at March 31, 2019 of INR 140,539 million. Some of the manufacturing facilities are incurring losses due to initial phase of operations and other operational factors which were evaluated for impairment assessment, if any.
The impairment assessment of the Goodwill and PPE of such facilities involves significant judgements and estimates including future business projections, discount rates and other assumptions.
Accordingly, the matter has been identified as KAM.</td><td>The procedures performed by us and other auditors includes following:
• Assessed the process followed and controls implemented for the impairment review and analysis performed by the management;
• Tested the impairment calculation prepared by the management;
• Evaluated the underlying assumptions used for the impairment assessment of Goodwill and PPE;</td></tr>
<tr><td colspan="2">Appropriate recognition of DTA on carry forward Losses (as described in note 2.1 k and 10 of the consolidated Ind AS financial statements)</td></tr>
<tr><td>The Group has recognized deferred tax assets of INR 3,064 million which relates to carry forward tax losses of certain entities within the group.
The recognition of deferred tax assets requires the application of significant judgment by the management in respect of assessing the probability and sufficiency of future taxable profits and ongoing tax planning strategies.
There is an inherent uncertainty involved in forecasting future taxable profits, which determines the extent to which deferred tax assets are recognized.
Accordingly, the matter has been identified as KAM.</td><td>The procedures performed by us and other auditors includes following:
• Obtained the basis for estimating projected future profits and understood the assumptions used by management in profit forecasts;
• Evaluated the management's calculation of deferred tax assets on tax losses and key assumption used;
• Performed analysis on key assumptions used by management and considered alternative future scenarios with the help of tax experts as considered necessary;
• Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.</td></tr>
</table>

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Ind AS financial statements and auditor's reports thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 of the assets of the Group and of its associates and joint ventures 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

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

Those charged with governance are also responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under

section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

(a) We did not audit the financial statements and other financial information, in respect of 74 subsidiaries, whose Ind AS financial statements include total assets of ₹ 607,527 million as at March 31, 2019, and total revenues of ₹ 505,412 million and net cash inflows of ₹ 4,477 million for the year ended on that date. These Ind AS financial statements and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 935 million for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 1 associate and 3 joint ventures, whose financial statements and other financial information have been audited by other auditors and whose reports have been furnished to us by the management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of such other auditors.

(b) The accompanying consolidated Ind AS financial statements include unaudited financial statements and other unaudited financial information in respect of 61 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 131,000 million as at March 31, 2019, and total revenues of ₹ 6,397 million and net cash inflows of ₹ 2,210 million for the year ended on that date. These unaudited financial statements and other unaudited financial information have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 161 million for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 2 associates and 1 joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of these subsidiaries, joint ventures and joint operations and associates, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such unaudited financial statement and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements and the other financial information of subsidiaries, associates and joint ventures, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon 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 relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies and joint ventures, none of the directors of the Group's companies, its associates and joint ventures incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India, refer to our separate Report in "Annexure 1" to this report;

(g) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates and joint ventures incorporated in India, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries, associates and joint ventures incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates and joint ventures, as noted in the 'Other matter' paragraph:

i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates and joint ventures in its consolidated Ind AS financial statements – Refer Note 20 and 43 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 – Refer (a) Note 37 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, its associates and joint ventures and (b) the Group's share of net profit in respect of its 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, its subsidiaries, associates and joint ventures incorporated in India during the year ended March 31, 2019.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Pankaj Chadha**
Partner
Membership Number: 091813

Place of Signature: Noida
Date: May 27, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEMS LIMITED

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

In conjunction with our audit of the consolidated Ind AS financial statements of Motherson Sumi Systems Limited as of and for the year ended March 31, 2019, 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 joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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. 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

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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.

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 internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

Meaning of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Consolidated Ind AS Financial Statements

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31,2019, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, insofar as it relates to these 4 subsidiary companies, 2 joint ventures and 1 associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such subsidiary, joint ventures and associate companies incorporated in India.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Pankaj Chadha**
Partner
Membership Number: 091813

Place of Signature: Noida
Date: May 27, 2019

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED BALANCE SHEET

	Notes	As At March 31, 2019	As At March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	140,539	101,365
Capital work-in-progress		10,463	25,849
Investment property	4	1,304	1,313
Goodwill	5	22,118	22,643
Other intangible assets	5	20,266	21,802
Intangible assets under development		205	-
Investments accounted for using the equity method	48	6,155	5,440
Financial assets			
i. Investments	6 (a)	2,389	2,467
ii. Loans	7	58	48
iii. Trade receivables	8	11,629	9,465
iv. Other financial assets	9	680	182
Deferred tax assets (net)	10 (a)	6,123	6,266
Other non-current assets	11	9,353	6,075
Non-current tax assets (net)	23	2,524	1,061
Total non-current assets		**233,806**	**203,976**
Current assets			
Inventories	12	46,634	40,132
Financial assets			
i. Investments	6 (b)	10	9
ii. Trade receivables	8	61,663	56,236
iii. Cash and cash equivalents	13(a)	35,399	27,706
iv. Bank balances other than (iii) above	13(b)	70	109
v. Loans	7	217	416
vi. Other financial assets	9	42,167	37,136
Other current assets	14	13,336	9,257
Total current assets		**199,496**	**171,001**
Total assets		**433,302**	**374,977**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	2,105
Other equity			
Reserves and surplus	16 (a)	102,937	93,042
Other reserves	16 (b)	3,532	3,694
Equity attributable to owners of the Company		**109,627**	**98,841**
Non controlling interests		34,797	29,600
Total equity		**144,424**	**128,441**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	As At March 31, 2019	As At March 31, 2018
Liabilities			
Non-current liabilities			
Financial Liabilities			
i. Borrowings	17 (a)	80,995	75,701
ii. Other financial liabilities	18	4,688	6,138
Provisions	20	886	294
Employee benefit obligations	21	4,465	2,620
Deferred tax liabilities (net)	10 (b)	5,762	5,236
Government grants	22	1,956	1,934
Other non-current liabilities	24 (a)	1,220	1,271
Total non-current liabilities		**99,972**	**93,194**
Current liabilities			
Financial Liabilities			
i. Borrowings	17 (b)	28,433	19,068
ii. Trade payables	19	106,613	90,258
iii. Other financial liabilities	18	32,628	27,971
Provisions	20	1,579	1,329
Employee benefit obligations	21	2,270	508
Government grants	22	472	110
Current tax liabilities (net)	23	4,148	2,261
Other current liabilities	24 (b)	12,763	11,837
Total current liabilities		**188,906**	**153,342**
Total liabilities		**288,878**	**246,536**
Total equity and liabilities		**433,302**	**374,977**
Summary of significant accounting policies	2		

This is the consolidated Balance Sheet referred to in our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

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

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue			
Revenue from contract with customers	25 (a)	631,575	562,624
Other operating revenue	25 (b)	3,654	2,589
Total revenue from operations		**635,229**	**565,213**
Other income	26	2,202	1,701
Total income		**637,431**	**566,914**
Expenses			
Cost of materials consumed	27	363,694	341,742
Purchase of stock-in-trade		5,340	3,654
Change in inventories of finished goods, work-in-progress and stock in trade	28	(1,651)	(2,275)
Excise duty on sale of goods		-	2,280
Employee benefit expense	29	141,694	110,678
Depreciation and amortisation expense	32	20,582	15,752
Finance costs	31	4,232	4,108
Other expenses	30	72,668	57,908
Total expenses		**606,559**	**533,847**
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax		**30,872**	**33,067**
Group's share in net profit / (loss) of associates and joint ventures accounted for using the equity method		1,131	1,381
Exceptional items (income)/ expense	33	-	1,777
Profit before tax		**32,003**	**32,671**
Tax expenses			
Current tax	34	11,860	10,016
Deferred tax expense/ (credit)		(838)	56
Total tax expense		**11,022**	**10,072**
Profit for the year		**20,981**	**22,599**
Other comprehensive income			
Items to be reclassified to profit or loss			
Exchange gain/(losses) on translation of foreign operations		(1,149)	8,071
Deferred gain / (losses) on cash flow hedges		1,027	(1,846)
		(122)	**6,225**
Income tax on items that may be reclassified to profit or loss		172	549
		50	**6,774**
Items not to be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(14)	(48)
Remeasurements of post-employment benefit obligations		(290)	(34)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		0	(2)
		(304)	**(84)**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Income tax relating to items that will not be reclassified to profit or loss		71	19
		(233)	**(65)**
Other comprehensive income for the year, net of tax		**(183)**	**6,709**
Total comprehensive income for the year, net of tax		**20,798**	**29,308**
Profit attributable to:			
Owners		16,131	15,970
Non-controlling interest		4,850	6,629
		20,981	**22,599**
Other comprehensive income attributable to:			
Owners		(353)	5,148
Non-controlling interest		170	1,561
		(183)	**6,709**
Total comprehensive income attributable to:			
Owners		15,778	21,118
Non-controlling interest		5,020	8,190
		20,798	**29,308**
Earnings per share	**35**		
Nominal value per share: ₹ 1 (Previous year : ₹ 1)			
Basic		5.11	5.06
Diluted		5.11	5.06
Summary of significant accounting policies	2		

This is the consolidated Statement of Profit and Loss referred to in our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

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

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in ₹ Million, unless otherwise stated)

A. Equity share capital

	Notes	Amount
As at April 01, 2017		**1,404**
Issue of equity share capital	15	702
As at March 31, 2018		**2,105**
Issue of equity share capital	15	1,053
As at March 31, 2019		**3,158**

B. Other equity

	Notes	Reserves and Surplus					Items of OCI			Total attributable to Owners	Non Controlling interests	Total
		Capital reserve on consolidation	Securities premium	Reserve on amalgamation	General Reserve	Retained Earnings	FVOCI equity instrument	Foreign currency translation reserve	Cash flow hedging reserve			
Balance as at April 01, 2017		1,336	28,058	1,663	3,430	48,310	149	(1,548)	(75)	**81,323**	22,322	**103,645**
Profit for the year		-	-	-	-	15,970	-	-	-	**15,970**	6,629	**22,599**
Other comprehensive income		-	-	-	-	(20)	(43)	6,380	(1,169)	**5,148**	1,561	**6,709**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**15,950**	**(43)**	**6,380**	**(1,169)**	**21,118**	**8,190**	**29,308**
Bonus Issue	16	-	(702)	-	-	-	-	-	-	**(702)**	-	**(702)**
Transfer to retained earning		(81)	-	-	-	81	-	-	-	**-**	-	**-**
Dividend paid	16 (a)	-	-	-	-	(4,210)	-	-	-	**(4,210)**	-	**(4,210)**
Tax on Dividend	16 (a)	-	-	-	-	(817)	-	-	-	**(817)**	-	**(817)**
Transfer to employee fund	16 (a)	-	-	-	-	(15)	-	-	-	**(15)**	(25)	**(40)**
Addition on acquisition of joint venture entity		-	-	-	-	65	-	-	-	**65**	-	**65**
Buyback of shares from minority share holders	48 C	-	-	-	-	(15)	-	-	-	**(15)**	10	**(5)**
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	**-**	(1,268)	**(1,268)**
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	**-**	376	**376**
Other addition / (deletion)		-	-	-	-	(11)	-	-	-	**(11)**	(5)	**(16)**
Balance at March 31, 2018		**1,255**	**27,356**	**1,663**	**3,430**	**59,338**	**106**	**4,832**	**(1,244)**	**96,736**	**29,600**	**126,336**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	Reserves and Surplus					Items of OCI			Total attributable to Owners	Non Controlling interests	Total
		Capital reserve on consolidation	Securities premium	Reserve on amalgamation	General Reserve	Retained Earnings	FVOCI equity instrument	Foreign currency translation reserve	Cash flow hedging reserve			
Profit for the year		-	-	-	-	16,131	-	-	-	**16,131**	4,850	**20,981**
Other comprehensive income		-	-	-	-	(192)	8	(1,122)	953	**(353)**	170	**(183)**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**15,939**	**8**	**(1,122)**	**953**	**15,778**	**5,020**	**20,798**
Bonus Issue	16	-	(1,053)	-	-	-	-	-	-	**(1,053)**	-	**(1,053)**
Dividend paid	16 (a)	-	-	-	-	(4,737)	-	-	-	**(4,737)**	-	**(4,737)**
Tax on Dividend	16 (a)	-	-	-	-	(842)	-	-	-	**(842)**	-	**(842)**
Addition on account of business combination (Refer note 50)	16 (a)	494	-	-	-	-	-	-	-	**494**	1,539	**2,033**
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	**-**	(1,413)	**(1,413)**
Additional contribution by Non controlling interest		-	-	-	-	-	-	-	-	**-**	161	**161**
Hyperinflation adjustment (Refer note 53)		-	-	-	-	94	-	-	-	**94**	91	**185**
Other addition / (deletion)		-	-	-	-	-	-	-	-	**-**	(200)	**(200)**
Balance at March 31, 2019		**1,749**	**26,303**	**1,663**	**3,430**	**69,792**	**114**	**3,710**	**(291)**	**106,470**	**34,798**	**141,268**
Summary of significant accounting policies	2											

This is the consolidated Statement of changes in equity referred to in our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

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

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED CASH FLOW STATEMENT

		For the year Ended March 31, 2019	For the year Ended March 31, 2018
A.	**Cash flow from operating activities:**		
	Profit before tax and exceptional expenses	32,003	34,448
	Adjustments for:		
	Share of (profit)/loss in associates and joint ventures accounted for using the equity method	(1,131)	(1,381)
	Depreciation and amortisation expense	20,582	15,752
	Finance cost	4,232	4,108
	Interest income	(354)	(331)
	Dividend income	(8)	(14)
	Loss/ (gain) on disposal of property, plant & equipment	(96)	59
	Gain on sale of Investments	(0)	-
	Bad debts / advances written off	103	40
	Provision for doubtful debts / advances	20	196
	Liability no longer required written back	(130)	(149)
	Unrealised foreign currency loss/(gain)	(641)	4,225
	Operating profit before working capital changes	**54,579**	**56,953**
	Changes in working capital:		
	Increase/(decrease) in trade and other payables	(543)	21,619
	Increase/(decrease) in other financial liabilities	7,816	1,650
	(Increase)/decrease in trade receivables	4,284	(12,601)
	(Increase)/decrease in inventories	(4,826)	(9,142)
	(Increase)/decrease in other receivables	(2,165)	(592)
	(Increase)/decrease in other financial assets	(5,524)	(13,422)
	Cash generated from operations	**53,622**	**44,465**
	Taxes (paid) / received	(10,498)	(10,048)
	Net cash generated from operations before exceptional items	**43,124**	**34,417**
	Exceptional Item (expense)/ income	-	(1,777)
	Net cash generated from operating activities	**43,124**	**32,640**
B.	**Cash flow from Investing activities:**		
	Payments for purchase of property, plant & equipment and other intangible assets (including capital work-in-progress and intangible assets under development)	(27,627)	(30,621)
	Proceeds from sale of property, plant & equipment and other intangible assets	774	313
	Proceeds from sale / (payment for purchase) of investments	(13)	(1,651)
	Loan (to)/repaid by related parties (net)	215	286
	Interest received	349	339
	Dividend received	8	14
	Dividend received from associates & joint venture entities	406	610
	(Investment)/Proceeds from maturity of deposits with remaining maturity for more than 12 months	-	(1)
	Acquisition of non-controlling interests (Refer Note 48 (C))	-	(5)
	Consideration paid on acquisition of subsidiaries (Refer Note 50)	(7,217)	(616)
	Consideration paid on acquisition of associates	-	(609)
	Net cash (used) in investing activities	**(33,105)**	**(31,941)**

(All amounts in ₹ Million, unless otherwise stated)

		For the year Ended March 31, 2019	For the year Ended March 31, 2018
C.	**Cash flow from financing activities:**		
	Proceeds from minority shareholders	161	378
	Dividend paid	(4,140)	(4,203)
	Dividend distribution tax	(842)	(817)
	Dividend paid to minority share holders	(1,413)	(1,312)
	Interest paid	(4,159)	(3,944)
	Consideration paid for buy out of minority shareholders of PKC Group Plc.	-	(2,845)
	Proceeds from long term borrowings	7,589	25,369
	Proceeds from short term borrowings	45,995	57,307
	Repayment of long term borrowings	(13,226)	(45,648)
	Repayment of short term borrowings	(38,158)	(46,499)
	Proceeds/ (Repayment) of loans from other related parties	5,947	-
	Net cash (used) in financing activities	**(2,246)**	**(22,214)**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**7,773**	**(21,515)**
	Net Cash and Cash equivalents at the beginning of the year	27,706	48,772
	Cash and cash equivalents as at year end	**35,479**	**27,257**
	Cash and cash equivalents comprise		
	Cash on hand	20	32
	Cheques / drafts on hand	96	316
	Balance with Banks	35,283	27,358
	Cash and cash equivalents as per Balance Sheet (restated)	**35,399**	**27,706**
	Net foreign exchange difference on balance with banks in foreign currency	80	(449)
	Total	**35,479**	**27,257**
	Summary of significant accounting policies (Note 2)		

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".

This is the Consolidated Cash Flow Statement referred to in our report of even date

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

The above Consolidated Cash Flow Statement should be read in conjunction with the accompanying notes

For and on behalf of the Board

V.C. SEHGAL
Chairman

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

1. Corporate Information

The consolidated financial statements comprise financial statements of Motherson Sumi Systems Limited (MSSL or 'the Company') and its subsidiaries (hereinafter collectively referred to as 'the Group') for the year ended March 31, 2019. 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. The Group comprises MSSL and it's directly and indirectly held 170 subsidiaries (including stepdown subsidiaries) and exercises joint control over 6 joint ventures and significant influence over 3 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, Russia, Morocco, Indonesia, Philippines, Argentina and Croatia.

2.1 Significant accounting policies

a) Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time)and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statement.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Derivative financial instruments, Refer Note 37
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and distribution liability, Refer Note 36
- Defined benefit pension plans – plan assets measured at fair value. Refer Note 21

In addition, the carrying values of recognised assets and liabilities designated as hedged items in fair value hedges that would otherwise be carried at amortised cost are adjusted to record changes in the fair values attributable to the risks that are being hedged in effective hedge relationships. The consolidated financial statements are presented in ₹ and all values are rounded to the nearest millions (₹ 000,000), except when otherwise indicated.

b) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at March 31, 2019. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the

Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like item of assets, liabilities, equity, income expenseand cashflows. 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. Business combinations policy explains how to account for any related goodwill.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that subsidiary's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on March 31. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

c) Investment in associates and joint ventures

Associates are all entities over which the Group has significant influence but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The financial statements of the associates are prepared for the same reporting period as the Group to enable the parent to consolidate the financial information of the associates. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The group applies Ind AS 111 to all joint arrangements. Under Ind AS 111 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries

Investments in associates and joint ventures are accounted for using the equity method of accounting, after initially being recognised at cost.

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. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment individually.

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 legal or constructive obligations or made payments on behalf of the other entity.

The statement of profit and loss reflects the Group's share of the results of operations of the associate or joint venture. Any change in OCI of those investees is presented as part of the Group's OCI. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the statement of changes in equity. 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.

The carrying amounts of investments accounted under equity methods are tested for impairment in accordance with the policy described in note 1(n) below.

d) 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 within equity attributable to owners of MSSL.

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 re measured 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.

e) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting to the chief operating decision maker "CODM". The CODM is responsible for allocating resources and assessing performance of the operating segments. The Group has monthly review and forecasting procedure in place. (refer Note 41)

f) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

g) Foreign currencies

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 the Company'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. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment. 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. Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Foreign exchange differences on foreign currency borrowings 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 foreign currencies are translated into functional currency 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.

iii. Group companies

The results and financial position of foreign operations (except one of the subsidiary in Argentina which has currency of hyperinflation (refer policy described in note aa below), none of the Group's subsidiary, joint venture and associates 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. All resulting exchange differences are recognised in other comprehensive income.

h) Revenue from contracts with customers

Ind AS 115 Revenue from Contracts with Customers issued by Ministry of Corporate Affairs is applied by the Group as of April 01, 2018. The Group decided to apply the modified retrospective approach, whereby previous year's consolidated financial statements are not restated.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the agency services below, because it typically controls the goods or services before transferring them to the customer.

Revenue from sale of components

Revenue from sale of components is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the equipment.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of equipment, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

Variable consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Contracts for the sale of components provide customers with a customary right of return in case of defects, quality issues etc. The rights of return give rise to variable consideration.

The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover products from a customer.

Warranty obligations

The Group typically provides warranties for general repairs of defects that existed at the time of sale, as required by law. These assurance-type warranties are accounted for under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Revenue from assembly of components

The Group has contracts with customers to assemble, on their behalf, customised components from various parts procured from suppliers identified by the customer. The Group is acting as an agent in these arrangements.

When another party is involved in providing goods or services to its customer, the Group determines whether it is a principal or an agent in these transactions by evaluating the nature of its promise to the customer. The Group is a principal and records revenue on a gross basis if it controls the promised goods or services before transferring them to the customer. However, if the Group's role is only to arrange for another entity to provide the goods or services, then the Group is an agent and will need to record revenue at the net amount that it retains for its agency services.

Revenue from development of tools

The Group develops customised tooling for its customers and recognises its revenue over time using an input method to measure progress towards complete satisfaction of the tool development.

The Group recognises revenue from development of tools over time if it can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where the Group cannot reasonably measure the outcome of a performance obligation, but the Group expects to recover the costs incurred in satisfying the performance obligation. In those circumstances, the Group recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

Costs to obtain a contract

Such costs are recognised as an asset if there are future economic benefits associated with such costs. These are amortised systematically to match the benefits and such amortisation is netted off with revenue. Such assets are presented as Deferred Revenue Expenditure in Note 45 and classified as current and non-current based on the expected amortisation period. In cases where future economic benefits cannot be determined such costs are expensed off as incurred and are netted off with the revenues.

The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers:

Determining the timing of satisfaction of tooling development

The Group concluded that revenue for development of tooling is to be recognised over time because the Group's performance does not create asset with an alternative use to the Group since the tools are customised for each customer and the Group has an legally enforceable right to payment for fair value of performance completed to date.

The Group determined that the input method is the best method in measuring progress of the tooling development because there is a direct relationship between the Group's effort (i.e., costs incurred) and the transfer of tooling to the customer. The Group recognises revenue on the basis of the total costs incurred relative to the total expected costs to complete the tool.

Principal versus agent considerations

The Group enters into contracts with its customers to assemble, on their behalf, customised components using various parts procured from suppliers identified by the customer. Under these contracts, the Group provides assembly services (i.e., coordinating the procurement of various parts from the identified suppliers and combining or assembling them into components as desired by the customer). The Group determined that it does not control the goods before they are transferred to customers, and it does not have the ability to direct the use of the component or obtain benefits from the component. The following factors indicate that the Group does not control the goods before they are being transferred to customers. Therefore, the Group determined that it is an agent in these contracts.

- The Group is not primarily responsible for fulfilling the promise to provide the specified equipment.
- The Group does not have inventory risk before or after the specified component has been transferred to the customer as it purchases various parts on just-in-time basis and only upon contract of the customer.
- The Group has no discretion in establishing the price for the specified component. The Group's consideration in these contracts is only based on the difference between the maximum purchase price quoted by the customer and the cost of various parts purchased from the suppliers.
- In addition, the Group concluded that it transfers control over its services (i.e., assembling the component from various parts), at a point in time, upon receipt by the customer of the component, because this is when the customer benefits from the Group's agency service.

Consideration of significant financing component in a contract

The Group develops customised tooling and secondary equipment's for which the manufacturing lead time after signing the contract is usually more than one year. This type of contract includes two payment options for the customer, i.e., payment of the transaction price equal to the cash selling price upon delivery of the tooling or payment of the transaction price as part of the component's selling price. The Group concluded that there is a significant financing component for those contracts where the customer elects to pay along with the component's selling price considering the length of time between the transfer of tooling and secondary equipment and the recovery of transaction price from the customer, as well as the prevailing interest rates in the market.

In determining the interest to be applied to the amount of consideration, the Group concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance) is appropriate because this is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at contract inception.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within one year and therefore are all classified as current. Where the settlement is due after one year, they are classified as non-current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. Trade receivables are disclosed in Note 8.

Contract assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables. The Group's contract assets are disclosed in Note 45 as Unbilled Receivables.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract Liabilities are disclosed in Note 45 as Advances received from customers.

Impairment

An impairment is recognised to the extent that the carrying amount of receivable or asset relating to contracts with customers (a) the remaining amount of consideration that the Group expects to receive in exchange for the goods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not been recognised as expenses.

i) 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 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.

Rental income

Rental income arising from investment properties given under operating leases is accounted for on a straight-line basis over the lease terms unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases and is included in other income in the statement of profit and loss.

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.

Royalty income

Royalty income is recognized in Other operating income on an accrual basis in accordance with the substance of the relevant agreements.

j) 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 useful lives of the related assets and presented within other income.

When government grants relating to loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

k) 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.

Deferred tax liabilities are not recognised:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences ("outside-basis differences") can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

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.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries 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.

Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI/ capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

l) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

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. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, 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 respective nature.

m) Business combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.
- Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured at fair value at each reporting date with changes in fair value recognised in statement of profit and loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

n) Impairment of non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss.

Goodwill is tested for impairment annually as March 31 and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

o) Cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at banks and short term deposits 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 change in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

p) Inventories

Raw materials, stores and spares, work in progress, stock in trade and finished goods

Raw materials, stores and spares, work in progress, stock in trade 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 and is determined after rebate and discounts. 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 determined on weighted average cost basis.

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.

q) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (h) Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the Group initially 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. Trade receivables that do not contain a significant financing component are measured at the transaction price determined under Ind AS 115.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt instruments at amortised cost

This category is the most relevant to the Group. A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b. The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.The Group elected to classify irrevocably its non-listed equity investments under this category.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b. Financial assets that are debt instruments and are measured as at FVTOCI

c. Lease receivables under Ind AS 17

d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

e. Loan commitments which are not measured as at FVTPL

f. Financial guarantee contracts which are not measured as at FVTPL

The Group follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability. Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount"

For assessing increase in credit risk and impairment loss, the Group combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Group has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

This category generally applies to borrowings.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Embedded derivatives

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss.

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.

Original classification	Revised classification	Accounting treatment
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities 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 counterparty.

r) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Group determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Group analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Group's accounting policies.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, significant estimates and assumptions (note 2.2, 36 and 37)
- Quantitative disclosures of fair value measurement hierarchy (note 36)
- Investment properties (note 4)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 9, 13, 17, 18, 19, 36 and 37)

s) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The purchase contracts that meet the definition of a derivative under Ind AS 109 are recognised in the statement of profit and loss. Commodity contracts that are entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements are held at cost.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

i. Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit and loss as finance costs. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss as finance costs.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

The Group has an interest rate swap that is used as a hedge for the exposure of changes in the fair value. See Note 37 for more details.

ii. Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Group uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments, as well as forward commodity contracts for its exposure to volatility in the commodity prices. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

iii. Hedges of a net investment

Hedges of a net investment in a foreign operation, including a hedge of a monetary item that is accounted for as part of the net investment, are accounted for in a way similar to cash flow hedges. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised as OCI while any gains or losses relating to the ineffective portion are recognised in the statement of profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recorded in equity is reclassified to the statement of profit or loss (as a reclassification adjustment).

The Group uses a loan as a hedge of its exposure to foreign exchange risk on its investments in foreign subsidiaries.

t) Property, plant and equipment

Property, Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Capital work in progress are stated at cost, net of accumulated impairment losses, if any. Such cost includes expenditure that is directly attributable to the acquisition of the items and the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

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 the replaced part is derecognised.

On transition to Ind AS, the Group 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.

The cost of self-generated assets comprises of raw material, components, direct labour, other direct cost and related production overheads.

Depreciation methods and useful lives

Depreciation is calculated using the straight-line method over estimated useful lives of the assets:

Assets	Indian entities*	Overseas entities
	Useful lives (years)	Useful lives (years)
Leasehold Land	Over the period of lease	
Leasehold improvements	Over the period of lease or useful life, whichever is lower	
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
Aircraft	-	8 Years

*Useful life of certain assets are different 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 management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

u) Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

The Group depreciates building component of investment property over 30 years and leasehold land over the period of lease.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

On transition to Ind AS, the Group 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.

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 are the operating segments

Business, commercial 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.

Customer relationships

Customer relationships 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.

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.

Research and development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Currently, research costs incurred by the Group do not meet the recognition criteria and accordingly such research costs are expensed of in the statement of profit and loss as and when these are incurred.

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

The amortisation methods, the usual useful lives and the residual values of intangible assets are checked annually.

v) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

w) Provisions and contingent liabilities

Provisions

Provisions for legal claims, product warranties and other 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.

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.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for onerous contracts

An onerous contract is a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The Group at the end of every reporting period conducts the onerous contract test per the provisions of Ind AS 37 by comparing the remaining costs to be incurred under the contract with the related revenue of the contract. Where the costs of a contract increase the related revenue of the contract, the Group makes a provision for the difference.

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.

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

x) 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.

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 Group has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Group does not carry any further obligations, apart from the contributions made on a monthly basis.

Superannuation fund

The Group has 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 Group contributes up to 12% of the eligible employees' salary or ₹ 100,000 / 150,000, 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 Group 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 Group'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 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. Re-measurement 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.

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.

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.

Other long-term employee benefit obligations

In some countries, the group also has liabilities for long service leave and annual leave that are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. These obligations are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of high-quality corporate bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

y) 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.

z) Earnings per share

i. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.

The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue that have changed the number of equity shares outstanding, without a corresponding change in resources.

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.

aa) Hyperinflation

The financial statements (including comparative amounts, if applicable) of the group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

bb) Changes in Accounting policies

Ind AS 115 Revenue from contracts with customers

During the period ended March 31, 2019, Ind AS 115 – Revenue from Contracts with Customers became applicable on the Group. The management has conducted detailed analysis on the implications of implementation of new standard on the revenue. The Group builds all customized products for its customers. In certain contracts, the Group is undertaking higher level assemblies of modules such as Instrument Panels, Cockpits etc. wherein whole/ substantial components are procured from suppliers nominated by customer without taking over any risks on the Company itself. Such a situation has been defined in standard as the Group acting as an agent, and requires recognition of revenues excluding the value of such components.

In view of implementation of new standard, only service fees involved in such contracts where the company has limited risks has been recognized as revenue by netting the cost of such components from raw material consumption as well as from sales as against earlier practice of full value to be included in Revenue.

Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Considerations

The appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the date of the transactions for each payment or receipt of advance consideration. This Interpretation does not have any impact on the Group's consolidated financial statements.

Amendments to Ind AS 40 Transfers of Investment Property

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use. These amendments do not have any impact on the Group's consolidated financial statements.

Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

2.2 Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Group's accounting policies, there are no significant judgements established by the management.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Useful life of property, plant and equipment and investment properties

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

(ii) Defined benefit plans

The cost of the defined benefit gratuity plan and other post-employment defined benefits are determined using actuarial valuations. An actuarial valuation involves various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Further details about gratuity obligations are given in Note 21

(iii) Fair valuation of unlisted securities

When the fair value of unlisted securities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer Note 36 of the financials.

(iv) Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Group establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

(v) Percentage completion of recognition of revenue

The Group uses the percentage-of-completion method in accounting for 'development of tools' contracts. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

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.

(vi) Business combinations and intangible assets

Business combinations are accounted for using Ind AS 103, Business Combinations. Ind AS 103 requires the identifiable intangible assets and contingent consideration to be fair valued in order to ascertain the net fair value of identifiable assets, liabilities and contingent liabilities of the acquiree. Significant estimates are required to be made in determining the value of contingent consideration and intangible assets. These valuations are conducted by independent valuation experts. Refer note 50.

(vii) Impairment of goodwill

Market related information and estimates are used to determine the recoverable amount of a cash generating unit. Key assumptions on which the management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

(All amounts in ₹ Million, unless otherwise stated)

3 Property, plant and equipment

Particulars	Own Assets									Leasehold Land	Assets Taken on Finance Lease					Total
	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Aircraft		Buildings	Plant & Machinery	Furniture & fixtures	Computers	Vehicles	
Year ended March 31, 2018																
Gross carrying amount																
As at April 01, 2017	5,024	508	29,658	64,416	3,089	904	1,445	242	-	2,178	558	930	21	-	34	**109,007**
Additions	424	252	5,567	15,158	1,110	243	639	118	1,198	124	-	100	3	4	-	**24,940**
Additions on account of business combination[2]	61	46	279	572	10	21	69	12	-	-	-	-	-	-	-	**1,070**
Disposals	-	(32)	(39)	(654)	(140)	(11)	(27)	(42)	-	(2)	-	(41)	-	-	(24)	**(1,012)**
Exchange differences	434	71	3,006	5,350	440	79	146	27	76	121	79	106	2	0	4	**9,941**
Other adjustment / transfers	(227)	-	115	(539)	22	(44)	(10)	(5)	-	(233)	121	(11)	-	-	-	**(811)**
Closing gross carrying amount	**5,716**	**845**	**38,586**	**84,303**	**4,531**	**1,192**	**2,262**	**352**	**1,274**	**2,188**	**758**	**1,084**	**26**	**4**	**14**	**143,135**
Accumulated depreciation and impairment																
As at April 01, 2017	-	288	2,991	22,012	1,424	401	703	108	-	82	7	191	5	-	18	**28,230**
Depreciation charge during the year[1]	-	169	1,431	9,290	797	181	475	59	62	35	31	175	4	1	6	**12,716**
Additions on account of business combination[2]	-	-	-	16	-	-	-	-	-	-	-	-	-	-	-	**16**
Disposals	-	(33)	(39)	(306)	(142)	(3)	(45)	(28)	-	-	-	(23)	-	-	(17)	**(636)**
Exchange differences	-	39	385	1,312	210	23	71	9	4	9	8	33	1	0	2	**2,106**
Other adjustment / transfers	-	(0)	(83)	(635)	4	(12)	7	(3)	-	(16)	0	76	-	-	-	**(662)**
Closing accumulated depreciation and impairment	**-**	**463**	**4,685**	**31,689**	**2,293**	**590**	**1,211**	**145**	**66**	**110**	**46**	**452**	**10**	**1**	**9**	**41,770**
Net carrying amount	**5,716**	**382**	**33,901**	**52,614**	**2,238**	**602**	**1,051**	**207**	**1,208**	**2,078**	**712**	**632**	**16**	**3**	**5**	**101,365**

(All amounts in ₹ Million, unless otherwise stated)

Particulars	Own Assets									Leasehold Land	Assets Taken on Finance Lease					Total
	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Aircraft		Buildings	Plant & Machinery	Furniture & fixtures	Computers	Vehicles	
Year ended March 31, 2019																
Gross carrying amount																
As at April 01, 2018	**5,716**	**845**	**38,586**	**84,303**	**4,531**	**1,192**	**2,262**	**352**	**1,274**	**2,188**	**758**	**1,084**	**26**	**4**	**14**	**143,135**
Additions	-	141	12,542	29,511	3,317	1,219	596	93	-	377	7	53	3	0	4	**47,863**
Additions on account of business combination[3]	1,032	-	2,348	7,591	-	393	-	24	-	-	-	-	-	-	-	**11,388**
Disposals	(11)	(1)	(57)	(1,376)	(127)	(14)	(13)	(44)	-	-	-	(54)	(1)	-	(5)	**(1,703)**
Exchange differences	(178)	(12)	(1,057)	(1,567)	(216)	(70)	(31)	(6)	(43)	(18)	(4)	(23)	-	(0)	-	**(3,225)**
Other adjustment / transfers[4]	45	-	157	1,401	-	-	1	0	-	-	(272)	-	-	(1)	-	**1,331**
Closing gross carrying amount	**6,604**	**973**	**52,519**	**119,863**	**7,505**	**2,720**	**2,815**	**419**	**1,231**	**2,547**	**489**	**1,060**	**28**	**3**	**13**	**198,789**
Accumulated depreciation and impairment																
As at April 01, 2018	**-**	**463**	**4,685**	**31,689**	**2,293**	**590**	**1,211**	**145**	**66**	**110**	**46**	**452**	**10**	**1**	**9**	**41,770**
Depreciation charge during the year[1]	-	151	2,019	12,617	938	395	619	74	23	37	20	172	5	1	2	**17,073**
Additions on account of business combination[3]	(0)	-	(0)	-	-	-	-	(0)	-	-	-	-	-	-	-	**(0)**
Disposals	-	-	(8)	(812)	(116)	(8)	(12)	(27)	-	-	-	(40)	(1)	-	(4)	**(1,028)**
Exchange differences	-	(6)	(290)	(734)	(133)	(20)	(23)	(2)	(3)	(2)	-	(14)	-	(0)	-	**(1,227)**
Other adjustment / transfers[4]	0	(49)	224	1,471	32	22	10	14	-	15	(74)	(1)	(3)	(1)	2	**1,662**
Closing accumulated depreciation and impairment	**0**	**559**	**6,630**	**44,231**	**3,014**	**979**	**1,805**	**204**	**86**	**160**	**(8)**	**569**	**11**	**1**	**9**	**58,250**
Net carrying amount	**6,604**	**414**	**45,889**	**75,632**	**4,491**	**1,741**	**1,010**	**215**	**1,145**	**2,387**	**497**	**491**	**17**	**2**	**4**	**140,539**

(i) Property, plant and equipment pledged as security: Refer note 44 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, 2019, the group has capitalised borrowing costs amounting to ₹ 188 million (March 31, 2018 : ₹ 438 million) as qualifying assets. Borrowing costs were capitalised at weighted average rate of its general borrowings of 3.43% (March 31, 2018 : 2.98%).

[1] Includes depreciation of ₹ 9 million (March 31, 2018: ₹ 6 million) capitalised during the year on assets used for creation of self generated assets.

[2] Includes reclassification related to assets acquired after completion of fair valuation of assets of PKC. Refer note 50 for additions on account of business combination.

[3] Refer note 50 for additions on account of business combination.

[4] Includes impact of Hyperinflationary adjustment in gross block amounting to ₹ 241 million and accumulated depreciation amounting to 82 million in respect of one of the step down subsidiary in Argentina. Refer Note 53.

4 Investment property

	March 31, 2019	March 31, 2018
Opening gross carrying amount	**1,465**	**947**
Add: Transfers / Additions during the year	70	455
Less: Deletions during the year	-	2
Add / (Less): Exchange differences	(19)	65
Gross Block	**1,516**	**1,465**
Accumulated depreciation:		
Opening balance	**152**	**51**
Add: Depreciation for the year	64	86
Add / (Less): Exchange differences	(4)	15
Closing accumulated depreciation	**212**	**152**
Net Investment Properties	**1,304**	**1,313**

(i) Amounts recognised in profit or loss for the investment properties

	March 31, 2019	March 31, 2018
Rental Income	113	83
Direct operating expenses arising from property that generated rental income	(52)	(18)
Direct operating expenses arising from property that did not generate rental income	(1)	(3)
Profit from investment properties before depreciation	**60**	**62**
Depreciation	64	86
Loss from investment properties	**(4)**	**(24)**

(ii) Contractual obligations

Refer note 42 for disclosure of contractual obligation towards purchase of investment property.

(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, 2019	March 31, 2018
Within one year	90	75
Later than one year but not later than 5 years	356	309
	446	**384**

(iv) Fair value

	March 31, 2019	March 31, 2018
Investment properties	2,999	2,800

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.

5 Intangible assets

Particulars	Technical Knowhow Fees	Customer Relationships	Business and commercial rights	Intellectual Property Rights	Software	Total intangible assets other than goodwill	Goodwill[2]
Year ended March 31, 2018							
Gross carrying amount							
As at April 01, 2017	135	22,928	792	60	2,340	**26,255**	19,379
Additions	8	-	-	4	493	**505**	-
Additions on account of business combination[1]	-	326	-	-	23	**349**	333
Disposals	-	-	-	-	(20)	**(20)**	-
Exchange Difference	22	3,792	129	6	146	**4,095**	2,934
Other adjustment	(0)	(10)	-	(27)	20	**(17)**	(0)
Closing gross carrying amount	**165**	**27,036**	**921**	**43**	**3,002**	**31,167**	**22,646**
Accumulated amortisation and impairment							
As at April 01, 2017	16	3,894	147	22	1,299	**5,378**	3
Amortisation charge during the year	27	2,381	113	4	431	**2,956**	-
Disposals	-	-	-	-	(20)	**(20)**	-
Exchange differences	3	852	32	4	176	**1,067**	-
Other adjustment	-	(10)	-	0	(6)	**(16)**	-
Closing accumulated amortisation and impairment	**46**	**7,117**	**292**	**30**	**1,880**	**9,365**	**3**
Net carrying amount	**119**	**19,919**	**629**	**13**	**1,122**	**21,802**	**22,643**
Year ended March 31, 2019							
Gross carrying amount							
As at April 01, 2018	**165**	**27,036**	**921**	**43**	**3,002**	**31,167**	**22,646**
Additions	8	4	-	(5)	846	**853**	-
Additions on account of business combination[1]	-	-	-	1,083	505	**1,588**	-
Disposals	-	-	-	-	(58)	**(58)**	-
Exchange difference	(6)	(506)	(50)	(27)	(91)	**(680)**	(525)
Other adjustment	-	(1,205)	-	-	73	**(1,132)**	-
Closing gross carrying amount	**167**	**25,329**	**871**	**1,094**	**4,277**	**31,738**	**22,121**
Accumulated amortisation and impairment							
As at April 01, 2018	**46**	**7,117**	**292**	**30**	**1,880**	**9,365**	**3**
Amortisation charge during the year	29	2,514	96	122	693	**3,454**	-
Disposals	-	-	-	-	(56)	**(56)**	-
Exchange differences	(3)	(71)	(20)	(4)	(46)	**(144)**	-
Other adjustment	-	(1,205)	-	(15)	73	**(1,147)**	-
Closing accumulated amortisation and impairment	**72**	**8,355**	**368**	**133**	**2,544**	**11,472**	**3**
Net carrying amount	**95**	**16,974**	**503**	**961**	**1,733**	**20,266**	**22,118**

[1] Refer Note 50 for Additions on account of business combination.

[2] **Goodwill consist of the following**

A segment-level summary of the goodwill is presented below. Refer note 41 for 'segment reporting'.

	March 31, 2019	March 31, 2018
SMR	537	556
SMP	3,129	3,239
PKC	18,306	18,711
Others	146	137
Total	**22,118**	**22,643**

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 upto 4% for periods subsequent to the forecast period of 5-10 years and weighted average cost of capital between 8% to 15%. An analysis of the sensitivity of the computation to a change in key parameters (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. The discount rate was estimated based on past experience and company's average weighted average cost of capital. The values assigned to the key assumptions represent the management's assessment of future trends in the industry and based on both internal and external factors.

6 (a) Non-Current Investments

	March 31, 2019	March 31, 2018
Investment in equity instruments		
Equity instruments at FVOCI		
Quoted:		
Ssangyong Motor Corporation	6	6
18,040 (March 31, 2018 : 18,040) equity shares of EUR 3.394 each fully paid up		
Unquoted:		
Motherson Sumi Infotech & Designs Limited	185	183
1,200,000 (March 31, 2018: 1,200,000) equity shares of ₹ 10 each fully paid up		
Echanda Urja Private Limited	1	1
120,645 (March 31, 2018: 120,645) equity shares of ₹ 10 each fully paid-up		
Tulsyan NEC Limited	2	2
63,750 (March 31, 2018: 63,750) equity shares of ₹ 30 each fully paid-up		

	March 31, 2019	March 31, 2018
N H 2 Limited (shares received in lieu of surrendering of shares in Nano Holding)	419	434
7,918,702 (March 31, 2018: 7,918,702) units of GBP 0.1 each		
Wisetime Oy	52	53
19 (March 31, 2018: 19) shares		
Purpurin Grundstücksverwaltungsgesellschaft mbH & Co. Vermietungs KG	0	0
94 (March 31, 2018: 94) equity shares of EUR 51.129 each fully paid up		
Mytrah Vayu (Manjira) Private Limited	0	0
40,000 (March 31, 2018: 40,000) equity shares of ₹ 10 each fully paid up		
ConnectedYard	-	11
Nil (March 31, 2018: 531,915) Series A Preferred Stock		
OSSIA Inc.	905	937
714,976 (March 31, 2018: 714,976) Series D Preferred Stock		
Quanergy Systems Inc.	792	820
171,528 (March 31, 2018: 171,528) Series B Preferred Stock		
Investment in preference shares at FVOCI		
Unquoted:		
Comunidad de Vertidos, “Les Carrases”	5	5
9.98% preference share of EUR 61,334 (March 31, 2018 : EUR 61,334) fully paid up		
Investment in bonds and promissory notes at FVTPL		
Unquoted:		
Naya Health	-	11
1% Convertible Promissory Note		
OSSIA Inc.	18	-
1 Convertible Promissory Note of USD 250,000		
Others at FVOCI		
Investment in antique arts (unquoted)	4	4
Total non current investments	**2,389**	**2,467**
Aggregate amount of quoted investments and market value thereof	6	6
Aggregate amount of unquoted investments	2,383	2,461
Aggregate amount of impairment in the value of investments	-	-

(All amounts in ₹ Million, unless otherwise stated)

6 (b) Current Investments

	March 31, 2019	March 31, 2018
Investment in equity instruments at FVOCI		
Quoted:		
HDFC Bank Limited	5	4
2,035 (March 31, 2018: 2,035) equity shares of ₹ 2 each fully paid up		
Balrampur Chini Mills Limited	0	0
1,200 (March 31, 2018: 1,200) equity shares of ₹ 1 each fully paid up		
Jaysynth Dyestuff (India) Limited	0	0
100 (March 31, 2018: 100) equity shares of ₹ 10 each fully paid up		
Meyer Apparel Limited	0	0
28,475 (March 31, 2018: 28,475) equity shares of ₹ 3 each fully paid up		
Mahindra & Mahindra Limited	5	5
7,288 (March 31, 2018: 7,288) equity shares of ₹ 5 each fully paid up		
Arcotech Limited	0	0
1,000 (March 31, 2018: 1,000) equity shares of ₹ 2 each fully paid up		
Unquoted:		
Pearl Engineering Polymers Limited	-	-
3,160 (March 31, 2018: 3,160) equity shares of ₹ 10 each fully paid up		
Daewoo Motors Limited	-	-
6,150 (March 31, 2018: 6,150) equity shares of ₹ 10 each fully paid up		
Athena Financial Services Limited	-	-
66 (March 31, 2018: 66) equity shares of ₹ 10 each fully paid up		
Inox Leasing & Finance Limited	-	-
100 (March 31, 2018: 100) equity shares of ₹ 10 each fully paid up		
Total current investments	**10**	**9**
Aggregate amount of quoted investments and market value thereof	10	9
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

7 Loans

	March 31, 2019		March 31, 2018	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 40)	34	-	200	-
Loans to employees and others	183	58	216	48
Total	**217**	**58**	**416**	**48**

8 Trade Receivables

	March 31, 2019		March 31, 2018	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Other trade receivables	60,729	11,629	54,678	9,465
Trade receivables from related parties (Refer note 40)	934	-	1,558	-
Unsecured, credit impaired				
Other trade receivables	916	-	813	-
	62,579	**11,629**	**57,049**	**9,465**
Less: Allowances for credit loss	916	-	813	-
Total	**61,663**	**11,629**	**56,236**	**9,465**

Note 1: The Group has derecognised trade receivables amounting ₹ 47,288 million (March 31, 2018: ₹ 32,031 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.

9 Other financial assets

	March 31, 2019		March 31, 2018	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security deposits to related parties (Refer note 40)	504	5	464	5
Security deposits to others	456	487	638	151
	960	**492**	**1,102**	**156**
Derivatives designated as hedge (Refer note 37)	590	162	268	-
Derivatives not designated as hedge	10	-	-	-
Interest receivable	33	0	27	-
Unbilled Revenue (Refer Note 45)	39,581	-	33,511	-
Deposits with original maturity for more than 12 months	-	26	-	26
Others	993	-	2,228	-
Total	**42,167**	**680**	**37,136**	**182**

10 (a) Deferred tax assets (net)

	March 31, 2019	March 31, 2018
Deferred tax assets		
Unabsorbed depreciation and Tax losses	3,064	2,371
Property, plant and equipments, investment property and intangible assets	528	600
Employee benefits	550	471
Provision for Doubtful debts/Advances/Inventory	1,400	1,827
Others	581	997
Total	**6,123**	**6,266**

Movement in Deferred tax assets

	Unabsorbed depreciation and Tax losses	Property, plant and equipments, investment property and intangible assets	Employee benefits	Provision for Doubtful debts/ Advances/ Inventory	Others	Total
As at April 01, 2017	**2,475**	**678**	**366**	**1,143**	**362**	**5,024**
(Charged) / credited:						
to profit or loss	(142)	(134)	(27)	581	71	349
to other comprehensive income	-	-	14	-	554	568
Exchange translation & reclassification adjustments*	38	56	118	103	10	325
As at March 31, 2018	**2,371**	**600**	**471**	**1,827**	**997**	**6,266**
(Charged) / credited:						
to profit or loss	1,361	(319)	(84)	35	(651)	342
to other comprehensive income	-	-	71	-	172	243
Addition due to business combination	176	228	26	46	11	487
Exchange translation & reclassification adjustments*	(844)	19	66	(508)	52	(1,215)
As at March 31, 2019	**3,064**	**528**	**550**	**1,400**	**581**	**6,123**

10 (b) Deferred tax liabilities (net)

	March 31, 2019	March 31, 2018
Deferred tax liabilities		
Property, Plant and equipment, investment property and intangible assets	3,270	3,042
Others	2,492	2,194
Total	**5,762**	**5,236**

Movement in Deferred tax liabilities

	Property, Plant and equipment, investment property and intangible assets	Others	Total
As at April 01, 2017	3,123	1,137	4,260
(Charged) / credited:			
to profit or loss	(487)	892	405
Exchange translation & reclassification adjustments*	406	165	571
As at March 31, 2018	**3,042**	**2,194**	**5,236**
(Charged) / credited:			
to profit or loss	(449)	(47)	(496)
Acquisition due to business combination	785	450	1,235
Exchange translation & reclassification adjustments*	(108)	(105)	(213)
As at March 31, 2019	**3,270**	**2,492**	**5,762**

Deferred tax assets and deferred tax liabilities have been offset to the extent they relate to the same governing taxation laws.

* Reclassifications generally represents netting off between deferred tax assets and liabilities in respective jurisdictions, transfers out of deferred tax pursuant to change in tax positions in filed tax returns.

11 Other non-current assets

	March 31, 2019	March 31, 2018
Capital advances	645	1,902
Advances recoverable	60	53
Unamortised expenditure	6,889	3,606
Prepaid expenses	203	294
Balances with government authorities	1,173	103
Others	383	117
Total	**9,353**	**6,075**

12 Inventories

	March 31, 2019	March 31, 2018
Raw materials	27,545	24,115
Work-in-progress	7,252	5,931
Finished goods	8,736	7,796
Stock-in-trade	324	128
Stores and spares	2,777	2,162
Total	**46,634**	**40,132**
Inventory include inventory in transit of:		
Raw materials	2,126	1,616
Finished goods	605	494

Amount recognised in profit or loss:

During the year ended March 31, 2019, 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 ₹ 305 million (March 31, 2018: ₹ 54 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 consolidated statement of profit or loss.

13 (a) Cash and cash equivalents

	March 31, 2019	March 31, 2018
Balances with banks:		
- in current accounts	27,553	20,595
- Deposits with original maturity of less than three months	7,730	6,763
Funds in transit & cheques and drafts on hand	96	316
Cash on hand	20	32
Total	**35,399**	**27,706**

There are no repatriation restrictions with regards to cash and cash equivalents as at the end of the reporting period and prior period. For asset pledged refer note 46.

Changes in liabilities arising from financing activities

	March 31, 2018	Cash Flow	Non cash items*	March 31, 2019
Long term borrowings	84,668	310	1,931	86,909
Short term borrowings	19,068	7,837	1,528	28,433
Total liabilities from financing activities	**103,736**	**8,147**	**3,459**	**115,342**

* Non cash adjustment in long term borrowings (₹ 23 million), short term borrowing (₹ 3,849 million) and balance on account of foreign exchange differences.

13 (b) Other bank balances

	March 31, 2019	March 31, 2018
Deposits with remaining maturity of more than three months but less than 12 months	26	77
Unpaid dividend account	44	32
Total	**70**	**109**

Unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

14 Other current Assets

	March 31, 2019	March 31, 2018
Advances recoverable	4,481	4,458
Unamortised expenditure	365	-
Prepaid expenses	1,966	2,356
Balances with government authorities	6,228	2,223
Others	296	220
Total	**13,336**	**9,257**

15 Share Capital

	March 31, 2019	March 31, 2018
Authorised:		
6,050,000,000 (March 31, 2018 : 2,873,000,000) Equity shares of ₹ 1 each)	6,050	2,873
25,000,000 (March 31, 2018 : 25,000,000) 8% Convertible Cumulative Preference Shares of ₹ 10 each)	250	250
Issued, subscribed and Paid up:		
3,157,934,237[1] (March 31, 2018 : 2,105,289,491[1]) Equity Shares of ₹ 1 each	3,158	2,105

a. Movement in equity share capital

Equity Shares:

	Numbers	Amount
As at April 01, 2017	1,403,526,327	1,404
Add: Bonus shares issued by capitalisation of securities premium account[1]	701,763,164	702
As at March 31, 2018	**2,105,289,491**	**2,105**
Add: Bonus shares issued by capitalisation of securities premium account[1]	1,052,644,746	1,053
As at March 31, 2019	**3,157,934,237**	**3,158**

[1] During the year ended March 31, 2019, the Company allotted 1,052,644,746 (March 31, 2018: 701,763,164) equity shares of ₹ 1 each as bonus shares in proportion of one equity share for every two equity shares held by capitalisation of Securities Premium Account.

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, 2019)

	Aggregate No of Shares issued in five years	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Equity shares allotted as fully paid bonus shares by capitalization of Securities Premium Account	2,195,367,590	1,052,644,746	701,763,164	-	440,959,680	-

d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	March 31, 2019		March 31, 2018	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	703,833,769	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	528,424,861	25.10%

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.

16 (a) Reserves and surplus

	March 31, 2019	March 31, 2018
Capital reserve on consolidation	1,749	1,255
Securities premium	26,303	27,356
Reserve on amalgamation	1,663	1,663
General Reserve	3,430	3,430
Retained earning	69,792	59,338
Total reserves and surplus	**102,937**	**93,042**

Capital reserve on consolidation

	March 31, 2019	March 31, 2018
Opening balance	1,255	1,336
Transfer to retained earning	-	(81)
Addition on account of business combination (Refer Note 50)	494	-
Deductions during the year	0	(0)
Closing balance	**1,749**	**1,255**

Securities premium

	March 31, 2019	March 31, 2018
Opening Balance	27,356	28,058
Bonus Issue	(1,053)	(702)
Closing balance	**26,303**	**27,356**

Reserve on amalgamation

	March 31, 2019	March 31, 2018
Opening balance	1,663	1,663
Closing balance	**1,663**	**1,663**

General reserve

	March 31, 2019	March 31, 2018
Opening balance	3,430	3,430
Closing balance	**3,430**	**3,430**

Retained earnings

	March 31, 2019	March 31, 2018
Opening balance	59,338	48,310
Additions during the year	16,131	15,970
Remeasurements of post-employment benefit obligation, net of tax	(192)	(18)
Share of OCI of associates and joint ventures, net of tax	0	(2)
Transfer from capital reserve on consolidation	-	81
Dividend paid	(4,737)	(4,210)
Tax on dividend	(842)	(817)
Transfer to employee fund	-	(15)
Addition on acquisition of majority control over board of directors of a joint venture entity	-	65
Hyperinflation adjustment (Refer note 53)	94	-
Buyback of shares from minority shareholders in respect of one of the stepdown subsidiary (Refer Note 48C)	-	(15)
Other addition / (deletion)	-	(11)
Closing balance	**69,792**	**59,338**

During the year ended March 31, 2019, the Company has paid dividend of ₹ 2.25 (March 31, 2018: ₹ 2.00) per share to its share holders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities. The Company believes that DDT represents additional payment to taxation authorities on behalf of shareholders. Hence DDT paid is charged to equity.

16 (b) Other reserves

	Foreign currency translation reserve	Cash flow hedging reserve	FVOCI equity investments	Total
As at April 01, 2017	(1,548)	(75)	149	**(1,474)**
Currency translation difference	6,380	-	-	**6,380**
Change in fair value of hedging instruments (net of tax)	-	(1,169)	-	**(1,169)**
Change in fair value of FVOCI equity instruments (net of tax)	-	-	(43)	**(43)**
As at March 31, 2018	**4,832**	**(1,244)**	**106**	**3,694**
Currency translation difference	(1,123)	-	-	**(1,123)**
Change in fair value of hedging instruments (net of tax)	-	953	-	**953**
Change in fair value of FVOCI equity instruments (net of tax)	-	-	8	**8**
As at March 31, 2019	**3,709**	**(291)**	**114**	**3,532**

Securities premium

Securities premium 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

This reserve comprises retained earnings of a company which are kept aside out of company's profits to meet future (known or unknown) obligations.

Foreign currency translation reserve

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.

17 (a) Non-current borrowings

		March 31, 2019	March 31, 2018
Secured#:			
i)	3.7% Senior Secured Notes Due 2025 (EUR 100 million (March 31, 2018 : EUR 100 million))	7,638	7,890
ii)	$4^{7/8}$% Senior Secured Notes Due 2021 (USD 400 million (March 31, 2018 : USD 400 million))	27,511	25,881
iii)	1.8% Senior Secured Notes Due 2024 (EUR 300 million (March 31, 2018 : EUR 300 million))	22,794	23,509
iv)	Term loans:		
	From Banks:		
	- Rupee Loan	5,797	5,750
	- Foreign currency loan	15,514	12,009

		March 31, 2019	March 31, 2018
	From others		
	- Indian rupee loan	18	33
	- Foreign Currency Loan	22	32
v)	Finance lease liabilities (Refer note 46)	286	459
		79,580	**75,563**
Unsecured:			
i)	4.25% Senior Unsecured Bond Due 2018 (Nil (March 31, 2018 : EUR 100 million))	-	7,813
ii)	Term loan:		
	From Banks:		
	- foreign currency loan	1,071	254
	From others		
	- Indian rupee loan	63	57
	- Foreign currency loan	486	966
iii)	Finance lease liabilities (Refer note 46)	7	14
iv)	Deposits from related parties		
	- Foreign currency loan - from related parties (Refer note 40)	5,701	-
	- Indian rupee loan - from related parties (Refer note 40)	1	1
		7,329	**9,105**
	Total	**86,909**	**84,668**
	Less : Amounts disclosed under the head "other current financial liabilities" (Refer Note 18)		
	Current maturities of long-term debt	5,797	8,735
	Current maturities of finance lease obligations	117	232
		80,995	**75,701**

17 (b) Current borrowings

		March 31, 2019	March 31, 2018
Secured#:			
i)	Loans repayable on demand from banks		
	- Rupee Loan[1]	372	15
	- Foreign Currency Loan[2]	13,319	9,996
ii)	Other short term loans from banks		
	- Foreign Currency Loan[3]	-	377
		13,691	**10,388**
Unsecured:			
i)	Loans repayable on demand from banks		
	- Foreign Currency Loan	1,569	785
ii)	Other short term loans from banks		
	- Rupee Loan	8,131	4,259
iii)	Other short term loans - (Other than banks)		
	- Foreign Currency Loan	5,042	3,636
		14,742	**8,680**
	Total	**28,433**	**19,068**

Non-current borrowings:

(a) Nature of Security and terms of repayment for secured borrowings:

	Nature of Security	Terms of Repayment
3.7% Senior Secured Notes Due 2025		
	Loan amounting to ₹ 7,638 million (March 31, 2018: ₹ 7,890 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 3.70% payable annually on 18th June and will mature on 18th June, 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 ₹ 27,511 million (March 31, 2018: ₹ 25,881 million) 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 subsidiary 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 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 June 16, 2019, the subsidiary 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.
1.8% Senior Secured Notes Due 2024		
	Loan amounting to ₹ 22,794 million (March 31, 2018: ₹ 23,509 million) secured by: The Notes are senior obligations of SMRP BV and rank pari passu in right of payment with all the SMRP BV's existing and future senior obligations that are not subordinated in right of payment to the Notes, including the SMRP BV's obligations under the existing Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior basis by SMRP BV and certain of its subsidiaries and are also secured by security interests granted over certain property and assets of the SMRP BV and certain of its subsidiaries.	The Notes were issued at 99.299% of the nominal value and carry coupon at a rate of 1.80% payable annually on July 06th each year and will mature on July 06, 2024. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market.
Long term Indian Rupee loans from Bank include:		
	Loan amounting to ₹ 5,750 million(March 31, 2018: ₹ 5,750 million) 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.

	Nature of Security	Terms of Repayment
	Loan amounting to ₹ 47 million(March 31, 2018: Nil) secured against all assets of SMRC Automotive Products India Private Limited	Fully repayable in financial year 2019-20 The loan carries interest rate based on base rate + 1.25% p.a.
Long term foreign currency loans from Bank include:		
i.	Loan amounting to Nil (March 31, 2018: ₹ 488 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, 2018: ₹ 195 million) fully repaid during financial year 2018-19. 2) Nil (March 31, 2018: ₹ 293 million) fully repaid during financial year 2018-19. The applicable rate of interest in respect of foreign currency loans from banks is 0.62% p.a. (March 31, 2018 : 0.6% p.a. to 3.8% p.a) over 6 months US $ Libor and 8% p.a.(March 31, 2018 : 8.05% p.a.) in respect of loans hedged for swap contracts.
ii	Loan amounting to ₹ 12 million (March 31, 2018: ₹ 45 million) secured by General Notarial Bond on assets of Vacuform 2000 Pty Ltd.	1) Nil (March 31, 2018: ₹ 11 million) is repayable in 60 equal monthly instalments commenced from January 31, 2015 and fully repaid in financial year 2018-19. 2) ₹ 1 million (March 31, 2018: ₹ 18 million) is repayable 60 equal monthly instalments commenced from March 31, 2014. 3) ₹ 11 million (March 31, 2018: ₹ 16 million) is repayable in monthly instalments till December 2021. The applicable rate of interest in respect of these loans is Prime lending rate in South Africa minus 3%
iii	Loan amounting to ₹ 157 million(March 31, 2018: ₹ 249 million) secured by specified assets located at Boetzingen plant of SMP Deutschland GmbH	Repayable in monthly instalments from January 2016 and ending in December 2020. The applicable rate of interest is 4.96%
iv	Loan amounting to ₹ 22 million(March 31, 2018: ₹ 24 million) secured against land and building of MSSL Japan.	Repayable in quarterly instalments from June 2015 till June 2029. The applicable rate of interest is 3 months Tibor + 0.95%
v	Loan amounting to ₹ 2 million (March 31, 2018: ₹ 11 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 instalments from January 2014 until May 2019. The applicable rate of interest is Euribor + 0.975%
vi	Loan amounting to ₹ 155 million (March 31, 2018: ₹ 161 million) 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%
vii	Loan amounting to ₹ 2 million (March 31, 2018: ₹ 3 million) secured against vehicle of Vacuform 2000 (Proprietary) Limited.	₹ 2 million is repayable in 60 instalments from November 01, 2015. The applicable rate of interest in respect of this loan is 10%
viii	₹ 5,524 million (March 31, 2018 : ₹ 5,203 million) 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 loan is 6 months Libor + 120 basis points to be paid on half yearly basis.
ix	₹ 5,430 million (March 31, 2018 : ₹ 5,621 million) 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 loan is 3 months Euribor + 39 basis points.
x	₹ 122 million (March 31, 2018 : ₹ 166 million) secured against the land & building & current receivables.	Repayable as quarterly instalments upto bullet payment in June 2022. The applicable rate of interest in respect of this loans is 3M Euribor + 1.15%

	Nature of Security	Terms of Repayment
xi	₹ 2 million (March 31, 2018 : ₹ 38 million) secured against the plant & machinery	Repayable in monthly instalments upto April 2019. The applicable rate of interest in respect of this loans is 5%
xii	₹ 4,086 million (March 31, 2018 : Nil). Facility is 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.	Repayable in one bullet payment on August 29, 2023. The applicable rate of interest in respect of this loans is Libor + 1.1%
Long term Indian Rupee Loans from Other than Banks include:		
i.	Indian Rupee loan amounting to ₹ 18 million (March 31, 2018: ₹ 33 million) 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 remaining 12 monthly instalments till March 2020 carrying Interest rate of 10.2% p.a.
Long term Foreign Currency Loans from Other than Banks include:		
i.	₹ 14 million (March 31, 2018 : ₹ 19 million) secured against the office equipments of MSSL GmbH for which this loan has been taken.	Repayable in monthly instalments until December 2021 The applicable rate of interest in respect of this loan is 4.309%
ii.	₹ 8 million (March 31, 2018 : ₹ 13 million) secured against the office equipment of MSSL GmbH for which this loan has been taken.	Repayable in monthly instalments until October 2020. The applicable rate of interest in respect of this loan is 3.43%
Finance Lease Liabilities Other than Banks include:-		
	Finance Leases amounting to ₹ 285 million (March 31, 2018: 459 million) are secured by hypothecation of assets underlying the leases.	₹ 13 million (March 31, 2018: ₹ 24 million) repayable in monthly instalments. Nil (March 31, 2018: ₹ 50 million) fully repaid during financial year 2018-19. ₹ 113 million (March 31, 2018: ₹ 137 million) repayable in Quarterly instalments. ₹ 2 million (March 31, 2018: ₹ 3 million) repayable in monthly instalments. ₹ 156 million (March 31, 2018: ₹ 245 million) repayable in monthly instalments. ₹ 1 million (March 31, 2018: Nil) repayable in monthly instalments. The applicable rate of interest in respect of foreign currency finance lease liabilities other than banks is within a range of 3% to 5% (March 31, 2018: 3 to 6.4%).

(b) Terms of repayment for unsecured borrowings:

		Terms of Repayment
4.25% Senior Unsecured Bond Due 2018		
	Loan amounting to Nil (March 31, 2018: ₹ 7,813 million)	The bonds born interest at a rate of 4.25% paid annually on 20th September of each year and fully matured 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.

		Terms of Repayment
Unsecured Foreign Currency Term Loans from Banks -		
i.	Loan amounting to ₹ 436 million (March 31, 2018: ₹ 125 million).	Repayable by October 2020. The applicable rate of interest is 5%
ii.	Loan amounting to ₹ 14 million (March 31, 2018: ₹ 20 million).	Repayable in remaining 24 equal monthly instalments until March 2021.
iii.	Loan amounting to Nil (March 31, 2018: ₹ 18 million)	Fully repaid in September 2018. The applicable rate of interest was 5.6%
iv.	Loan amounting to ₹ 2 million (March 31, 2018: ₹ 22 million)	Applicable interest rate of 4.74%, repayable in monthly instalments upto April, 2019.
v.	Loan amounting to Nil (March 31, 2018: ₹ 8 million)	Fully repaid in September 2018. The applicable rate of interest was 5.6%
vi.	Loan amounting to 42 million (March 31, 2018: ₹ 61 million).	Repayable in 24 equal monthly instalments until March 2021.
vii.	₹ 360 million (March 31, 2018 : Nil)	Repayable as quarterly instalments upto July 2025. The applicable rate of interest in respect of this loans is 0.75%
viii.	Loan amounting to ₹ 218 million (March 31, 2018: Nil).	Repayable in 15 equal quarterly instalments commencing from April 2020 upto November 2023. The applicable rate of interest is BIBOR + 1.45% p.a
	Unsecured Indian Rupee Loan from Other than Banks -	Interest free loans of ₹ 63 million (March 31, 2018: ₹ 57 million) is repayable in November 2022 entirely in one instalment, against which a bank guarantee has been furnished by the company.
	Unsecured Foreign Currency Loan from Other than Banks -	Loan amounting to ₹ 55 million (March 31, 2018: ₹ 59 million) with no fixed repayments terms carrying Prime rate interest applicable in South Africa, which is 10.25%.
		Loan amounting to ₹ 2 million (March 31, 2018: ₹ 2 million) interest free with no fixed repayments terms.
		Loan amounting to ₹ 44 million (March 31, 2018: ₹ 53 million) repayable in half yearly instalments until March 2024.
		Loan amounting to ₹ 42 million (March 31, 2018: ₹ 43 million) repayable in 10 yearly instalments commencing from 2074.
		Loan amounting to ₹ 20 million (March 31, 2018: ₹ 37 million) repayable annually with final maturity in Nov 2023 carrying interest rate of 5%
		Loan amounting to Nil (March 31, 2018: ₹ 19 million) fully repaid in financial year 2018-19 carried interest rate of 5%
		Loan amounting to ₹ 4 million (March 31, 2018: ₹ 6 million) fully repayable in financial year 2019-20 carrying interest rate of 5%
		Loan amounting to ₹ 27 million (March 31, 2018: Nil) repayable in yearly instalments upto July 2026 carrying interest rate of 5%
		Loan amounting to ₹ 7 million (March 31, 2018: ₹ 7 million) to be repaid by December 2023 carrying interest rate of 5%
		Loan amounting to ₹ 92 million (March 31, 2018: ₹ 108 million). Interest free loan to be repaid yearly upto July 2026.
		Loan amounting to ₹ 56 million (March 31, 2018: ₹ 73 million) carrying interest rate of 3.95% to be repaid yearly upto November 2022.

		Terms of Repayment
		Loan amounting to ₹ 136 million (March 31, 2018: ₹ 558 million). Interest free loan to be repaid in yearly instalments until 2025.
	Unsecured Foreign Currency Finance Lease Liabilities Other than Banks include:-	₹ 7 million (March 31, 2018: ₹ 14 million) repayable in monthly instalments till life of assets purchased.
		The applicable rate of interest is within a range of 1.02% to 2.6%.
	Unsecured Foreign Currency Loans from Related Parties -	Loan amounting to ₹ 5,701 million (March 31, 2018: Nil) repayable in December 2026.
	Unsecured Indian Rupee Loans from Related Parties -	Loan amounting to ₹ 1 million (March 31, 2018: ₹ 1 million) repayable in March 2021.

Current borrowings:

Nature of Security for secured borrowings:

[1] ₹ 1 million (March 31, 2018: ₹ 15 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.

₹ 370 million (March 31, 2018: Nil) 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 of SMR Automotive Systems India Limited.

[2] ₹ 968 million (March 31, 2018: ₹ 1,271 million) secured by charge on the inventory and receivables of MSSL Wiring System Inc.

₹ 1,106 million (March 31, 2018: ₹ 1,043 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, 2018: ₹ 64 million) secured over land building and receivables.

Nil (March 31, 2018: ₹ 741 million) secured over the inventory and receivables of SMP Automotive Interiors (Beijing) Co. Ltd.

₹ 10,469 million (March 31, 2018: 6,074 million) is secured against guarantee of Samvardhana Motherson Automotive Systems Group BV (SMRP BV) and certain subsidiaries and also against same collaterals as all the existing Senior Secured Notes issued by SMRP BV and reported under non-current borrowings.

₹ 776 million (March 31, 2018: ₹ 803 million) is secured against pledge on the share of SMP Automotive Technology Iberica S.L.U.

[3] Nil (March 31, 2018: ₹ 38 million) secured over the inventory and receivables of Motherson Elastomers Pty. Ltd.

Nil (March 31, 2018: ₹ 339 Million) secured against land & building of SMR Hyosang Automotive 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 44

18 Other financial liabilities

	March 31, 2019	March 31, 2018
Non-current		
- Retention Money	34	35
- Security Deposit Received	211	55
- Recovery against Vehicle Loan	89	106
- Derivatives non designated as hedges	0	0
- Derivatives designated as hedges (Refer Note 37)	421	2,253
- Amounts payable to obtaining contracts	346	145
- Accrued expenses	3,587	3,544
	4,688	**6,138**
Current		
- Current maturities of long term debt (Refer Note 17 (a))	5,797	8,735
- Current maturities of finance lease obligations (Refer Note 17 (a))	117	232
- Interest accrued but not due on borrowings	969	897
- Unpaid dividends[1]	629	32
- Employee benefits payable	11,257	9,410
- Security deposit received	4	4
- Payables relating purchase of fixed assets	3,726	1,026
- Derivatives designated as hedges (Refer Note 37)	665	1,696
- Derivatives not designated as hedges	0	12
- Advance recovery from employee	101	57
- Amounts payable to obtaining contracts	3,619	1,654
- Accrued expenses	2,124	863
- Others	3,620	3,353
Total	**32,628**	**27,971**

[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, 2019	March 31, 2018
Total outstanding dues of creditors other than related parties	103,720	86,662
Trade payable to related parties (Refer note 40)	2,893	3,596
Total	**106,613**	**90,258**

20 Provisions

	March 31, 2019		March 31, 2018	
	Current	Non-current	Current	Non-current
For warranties	1,089	303	1,209	239
For litigation, disputes and other contingencies	490	583	120	55
Total	**1,579**	**886**	**1,329**	**294**

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.

Litigation, disputes and other contingencies

Provision for litigation, disputes and other contingencies represents claims against the company not acknowledged as debts that are expected to materialise in respect of matters in litigation / disputes etc.

The group has the following provisions in the books of account:

	Warranty		Onerous Contracts		Litigation, disputes and other contingencies	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Opening Balance	1,448	1,121	-	9	175	498
Additions during the year	235	573	-	-	753	7
Addition on account of business combination (Refer Note 50)	189	-	-	-	696	-
Utilised / reversed during the year	(455)	(356)	-	(10)	(581)	(366)
Exchange translation adjustment	(25)	110	-	1	30	35
Closing Balance	**1,392**	**1,448**	**-**	**-**	**1,073**	**175**

21 Employee benefit obligations

	March 31, 2019		March 31, 2018	
	Current	Non-current	Current	Non-current
Gratuity and pensions	304	2,838	183	1,328
Compensated absences	1,091	518	154	477
Longevity / jubilee bonus	-	199	-	199
Restructuring / Severance costs	242	171	102	-
Others	633	739	69	616
Total	**2,270**	**4,465**	**508**	**2,620**

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, 2019	March 31, 2018
Obligations at year beginning	3,421	2,607
Current service cost	492	267
Interest expense	196	140
(Gains) and losses on curtailment and settlement	10	-
Amount recognised in profit or loss	**698**	**407**
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption	(5)	(4)
Actuarial (gain) / loss from change in financial assumption	111	(27)
Experience (gains)/losses	160	53
Amount recognised in other comprehensive income	**266**	**22**
Effect of Exchange rate change	90	492
Payment from plan:		
Benefit payments	(255)	(115)
Contributions:		
Employers	(36)	-
Addition on account of business combination	1,859	-
Addition due to transfer of employee	(4)	8
Obligations at year end	**6,039**	**3,421**

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2019	March 31, 2018
Plan assets at year beginning, at fair value	1,910	1,494
Interest income	116	97
Amount recognised in profit or loss	**116**	**97**
Remeasurements		
Actuarial gain / (loss) from change in financial assumption	(4)	-
Return on plan assets, excluding amount included in interest income	(10)	(8)
Experience (gains)/losses	(9)	-
Amount recognised in other comprehensive income	**(23)**	**(8)**
Effect of Exchange rate change	3	57
Payment from plan:		
Benefit payments	(103)	(65)
Settlements	(45)	-
Contributions:		
Employers	441	335
Addition on account of business combination	598	-
Plan assets at year end, at fair value	**2,897**	**1,910**

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2019	March 31, 2018
Present Value of the defined benefit obligations	6,039	3,421
Fair value of the plan assets	2,897	1,910
Amount recognized as Liability	**3,142**	**1,511**

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, 2019	March 31, 2018
Current service cost	492	267
Interest Cost	196	140
Interest income	(116)	(97)
(Gains) and losses on curtailment and settlement	10	
Actuarial (gain) / loss	290	30
Net defined benefit obligations cost	**872**	**340**

(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 case of South Korea fund has been deposited with Industrial Bank of Korea as required by local regulations and is guaranteed by government. In respect of other overseas entities, plan assets are funded through various institutions.

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2019	March 31, 2018
LIC	1,309	1,160
Deposits with financial institution	1,588	750
Total	**2,897**	**1,910**

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, 2019		March 31, 2018	
	Indian Entities	Outside India Entities	Indian Entities	Outside India Entities
Discount Rate per annum	7.40%	1.70%- 8.90%	7.1%-7.60%	1.70%- 7.90%
Future salary increases	8.00%	2% - 8%	8.00%	2% - 8%
Pension growth rate	-	1.50% - 2%	-	1.50% - 2%
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, 2019	March 31, 2018
Gratuity	305	249

(viii) The following table shows breakdown of the defined benefit obligation and plan assets by country:

Plan Type	March 31, 2019			March 31, 2018		
	India	Outside India	Total	India	Outside India	Total
Present value of obligation	1,697	4,342	**6,039**	1,345	2,076	**3,421**
Fair value of plan asset	1,309	1,588	**2,897**	1,160	750	**1,910**
Net liability	**388**	**2,754**	**3,142**	**185**	**1,326**	**1,511**

(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	
	March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018
Discount Rate per annum	0.50%	0.50%	Decrease by	(64)	(52)	Increase by	69	56
Future salary increases	0.50%-1%	0.50%-1%	Increase by	145	118	Decrease by	(129)	(104)
Pension rate per annum	0.50%	0.50%	Increase by	11	25	Decrease by	(14)	(28)
Life expectancy	1 year	1 year	Increase by	6	11	Decrease by	(6)	(11)

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, 2018: 2-14 years)

Expected benefit payments are as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Between 6-14 years	Total
March 31, 2019					
Defined benefit obligation (pension & gratuity)	200	320	1,259	2,620	4,399
March 31, 2018					
Defined benefit obligation (pension & gratuity)	145	192	489	991	1,817

B. 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 other funds for the benefit of the employees. Accordingly, the Group's contribution during the year that has been recognised in consolidated statement of profit and loss, amounting ₹ 13,650 million (March 31, 2018 : ₹ 9,561 million).

22 Government grants

	March 31, 2019	March 31, 2018
Opening balance	2,044	1,276
Grants received during the year	1,432	980
Released to profit or loss (Refer note 26)	(809)	(791)
Addition on account of business combination (Refer Note 50)	-	336
Exchange differences	(239)	243
Closing balance	**2,428**	**2,044**

	March 31, 2019	March 31, 2018
Current portion	472	110
Non-current portion	1,956	1,934
Total	**2,428**	**2,044**

23 Current tax liabilities / (Non-current tax assets) (net)

Income tax assets and Income tax liabilities have been offset to the extent they relate to the same governing taxation laws.

	March 31, 2019	March 31, 2018
Non-Current tax assets (net)	2,524	1,061
Current tax liabilities (net)	4,148	2,261
Net tax liabilities / (Assets)	**1,624**	**1,200**

24 (a) Other non-current liabilities

	March 31, 2019	March 31, 2018
Advance from Customers (Refer Note 45)	87	78
Unearned Revenue	326	120
Others	806	1,073
	1,220	**1,271**

24 (b) Other current liabilities

	March 31, 2019	March 31, 2018
Other current liabilities		
- Income received in advance	61	27
- Unearned revenue	1,265	401
- Statutory dues payable	6,881	5,543
- Advances received from customers (Refer Note 45)	1,618	2,119
- Other payables	2,938	3,747
	12,763	**11,837**

25 (a) Revenue from contract with customers

	For the year ended	
	March 31, 2019	March 31, 2018
Sales of products (including excise duty)		
Finished goods		
Within India	72,942	68,927
Outside India	547,680	486,855
Traded goods	5,094	5,078
Total gross sales	**625,716**	**560,860**
Sales of services	5,859	1,764
Total revenue from contract with customers (Refer Note 45)	**631,575**	**562,624**

25 (b) Other operating revenue:

Scrap sales	797	546
Job work income	13	14
Recovery from customers	1,370	1,013
Export incentives	194	158
Liabilities written back to the extent no longer required	130	125
Miscellaneous income	1,150	733
	3,654	**2,589**

Revenue from contract with customers for periods up to June 30, 2017 includes excise duty. From July 01, 2017 onwards the excise duty and most indirect taxes in India have been replaced by Goods and Service Tax (GST). The group collects GST on behalf of the Government. Hence, GST is not included in Revenue from operations. In view of the aforesaid change in indirect taxes, Revenue from operations for the year ended March 31, 2019 is not comparable with March 31, 2018. Sales net of excise duty and excise duty on sales amount is given in below table.

	For the year ended	
	March 31, 2019	March 31, 2018
Excise duty included in sales of goods	-	2,280
Sales of goods net of excise duty	625,716	558,580

26 Other income

	For the year ended	
	March 31, 2019	March 31, 2018
Interest income	354	331
Dividend income from equity investments designated at fair value through OCI	8	14
Profit on sales of fixed assets	96	-
Rent (refer Note 4 & 46)	196	167
Government grants & subsidies	809	791
Foreign exchange gain (net)	490	344
Miscellaneous income	249	54
Total	**2,202**	**1,701**

27 Cost of materials consumed

	For the year ended	
	March 31, 2019	March 31, 2018
Opening stock of raw materials	22,499	17,406
Addition on account of business combination (Refer note 50)	741	-
Add : Purchases of raw materials	365,988	345,052
Less: Closing stock of raw materials	25,420	22,499
Add: Exchange adjustment:		
Exchange differences opening stock (gain)/loss	207	890
Exchange differences closing stock (loss)/gain	(321)	893
Total	**363,694**	**341,742**

28 Changes in inventory of finished goods, work in progress and stock in trade

	For the year ended	
	March 31, 2019	March 31, 2018
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	7,796	6,438
Work-in-progress	5,931	4,252
Stock in trade	128	80
Total A	**13,855**	**10,770**
Add: Addition on account of business combination (Refer note 50)		
Finished goods	686	273
Work-in-progress	250	-
Total B	**936**	**273**
Stock at the end of the year:		
Finished goods	8,736	7,796
Work-in-progress	7,252	5,931
Stock in trade	324	128
Total C	**16,312**	**13,855**
Exchange adjustment:		
Exchange differences opening stock (gain)/loss	149	569
Exchange differences closing stock (loss)/gain	(279)	(32)
Total D	**(130)**	**537**
(Increase)/ decrease in stocks (A+B-C+D)	**(1,651)**	**(2,275)**

29 Employee benefit expense

	For the year ended	
	March 31, 2019	March 31, 2018
Salary, wages & bonus	120,646	95,823
Contribution to provident, superannuation & other fund	13,650	9,561
Gratuity & pension (Refer note 21)	582	310
Staff welfare expenses	6,318	4,896
Restructuring/ severance costs	498	88
Total	**141,694**	**110,678**

30 Other expenses

	For the year ended	
	March 31, 2019	March 31, 2018
Electricity, water and fuel	9,763	7,804
Repairs and Maintenance:		
Machinery	8,223	6,026
Building	1,622	1,705
Others	2,355	1,834
Consumption of stores and spare parts	2,921	2,754
Conversion charges	2,471	2,081
Excise Duty expenses[1]	-	(95)
Lease rent (operating leases) (Refer note 46)	7,353	5,825
Rates & taxes	1,178	952
Insurance	1,170	844
Donation	50	58
Travelling	4,100	3,335
Freight & forwarding	8,149	6,328
Royalty	91	84
Commission	59	55
Loss on sale of property, plant & equipment(net)	-	59
Bad debts/advances written off	103	40
Provision for doubtful debts/advances	20	196
Legal & professional expenses (Refer note (a) below)	5,500	5,500
Miscellaneous expenses	17,540	12,523
Total	**72,668**	**57,908**

[1] Represents excise duty related to the differences between the closing stock and the opening stock.

(a) Payment to Group Auditors:

	March 31, 2019	March 31, 2018
As Auditor:		
Audit fees (including limited review)	103	72
Other services	41	11
Reimbursement of expenses	6	13
Total	**150**	**96**

31 Finance costs

	For the year ended	
	March 31, 2019	March 31, 2018
Interest on long term borrowings	1,265	2,022
Commitment charges on borrowings	107	150
Other finance costs[1]	2,860	1,936
Total	**4,232**	**4,108**

[1] Includes foreign exchange loss/(gain) on long term loan facilities.

32 Depreciation and amortization expense

	For the year ended	
	March 31, 2019	March 31, 2018
Depreciation on Property, plant and equipment	17,072	12,716
Amortization on Intangible assets	3,454	2,956
Depreciation on Investment Property	65	86
Less: Capitalised during the year[1]	(9)	(6)
Total	**20,582**	**15,752**

[1] Depreciation on assets used for creation of self generated assets. (Refer Note 3)

33 Exceptional items (income)/ expense

	For the year ended	
	March 31, 2019	March 31, 2018
Acquisition cost in respect of Reydel (Refer Note 53)[1]	-	181
Bond Redemption premium and amortisation cost (Refer Note 52)[1]	-	1,596
Total	**-**	**1,777**

[1] Exceptional items are in the nature of following expenses:

Legal & Professional expenses	-	181
Finance cost	-	1,596

34 Income tax expense

(a) Income tax expense

	For the year ended	
	March 31, 2019	March 31, 2018
Current tax		
Current income tax charged	11,827	10,459
Adjustments for current tax of prior years	33	(443)
Total current tax expense	**11,860**	**10,016**
Deferred tax (Refer note 10)		
Decrease / (increase) in deferred tax assets	(342)	(349)
(Decrease) / increase in deferred tax liabilities	(496)	405
Total deferred tax expense / (benefit)	**(838)**	**56**
Income tax expense	**11,022**	**10,072**

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended	
	March 31, 2019	March 31, 2018
Profit before income tax expense	32,003	32,671
Tax at the India's tax rate of 34.944%	**11,183**	**11,307**
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	(36)	1,257
Withholding Taxes	176	286
Utilisation of previously unrecognised tax losses	(1,058)	(1,514)
Adjustments for current tax of prior periods	33	(443)
Tax effect of losses on which deferred tax assets not recognised	1,177	1,518
Difference in overseas tax rates	(731)	(2,101)
Other adjustments	278	(238)
Income tax expense	**11,022**	**10,072**

Tax is calculated at domestic tax rates applicable in the respective countries. The weighted average applicable tax rate was 34% for the year ended March 31, 2019 (March 31, 2018: 31%). The movement in weighted average tax rate is mainly on account of variation in profitability of the Group's subsidiaries in the respective countries. There have been no significant changes in tax rates applicable to the Group's subsidiaries during the year.

(c) Tax losses

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The group did not recognise deferred income tax assets in respect of losses amounting to ₹ 45,319 million (March 31,2018: ₹ 37,055 million) that can be carried forward against future taxable income. These losses can be carried-forward as below:

	March 31, 2019	March 31, 2018
Losses without expiration date	33,636	24,896
Losses with expiration date	11,683	12,159
	45,319	**37,055**

(d) Certain subsidiaries, joint ventures and associates of the group have undistributed retained earnings (excluding retained earnings for entities where there is no tax on dividend distribution) amounting to ₹ 59,973 million (March 31, 2018: ₹ 42,381 million) , which if distributed out as dividend would result in tax liability of group. Keeping in view that, no profit is proposed to be distributed in the immediate future by way of dividend out of such undistributed retained earnings, no deferred tax liabilities has been recognised.

Temporary differences arose as a result of the translation of the financial statements of the group's subsidiaries outside India. However, deferred tax liability has not been recognised as the liability will only crystallise in the event of disposal of the subsidiary, and no such disposal is expected in the foreseeable future. Refer note 16 for Foreign currency translation reserve balance.

35 Earnings per share

		March 31, 2019	March 31, 2018
a)	**Basic**		
	Net profit after tax	16,131	15,970
	Equity shares outstanding at the beginning of the year	2,105,289,491	1,403,526,327
	Add: Bonus shares issued by capitalisation of securities premium	1,052,644,746	701,763,164
	Add: impact of bonus share issued in FY 2018-19 on weighted average number of equity share to calculate earning per shares for FY 2017-18	-	1,052,644,746
	Weighted Average number of equity shares used to compute basic earnings per share	3,157,934,237	3,157,934,237
	Basic earnings (in ₹) per share of ₹ 1 each (March 31, 2018: ₹ 1 each)	**5.11**	**5.06**
b)	**Diluted**		
	Net profit after tax available for equity Shareholders	16,131	15,970
	Weighted average number of Equity Shares of ₹ 1 each (March 31, 2018 : ₹ 1 each)	3,157,934,237	3,157,934,237
	Diluted earnings (in ₹) per share of ₹ 1 each (March 31, 2018: ₹ 1 each)	**5.11**	**5.06**

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.

36 Fair value measurements

Financial instruments by category

	March 31, 2019			March 31, 2018		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments	-	2,399	-	-	2,476	-
Trade receivables	-	-	73,292	-	-	65,701
Loans	-	-	275	-	-	464
Cash and cash equivalents	-	-	35,399	-	-	27,706
Bank balances other than above	-	-	70	-	-	109
Derivative financial assets	10	752	-	-	268	-
Other financial assets	-	-	42,085	-	-	37,050
Total financial assets	**10**	**3,151**	**151,121**	**-**	**2,744**	**131,030**
Financial Liabilities						
Borrowings including current maturities	-	-	115,342	-	-	103,736
Derivative financial liabilities	-	1,086	-	12	3,949	-
Trade payable	-	-	106,613	-	-	90,258
Other financial liabilities	-	-	30,316	-	-	21,181
Total financial liabilities	**-**	**1,086**	**252,271**	**12**	**3,949**	**215,175**

i. Fair value hierarchy

Financial assets and liabilities measured at fair value-recurring fair value measurements as at March 31, 2019

	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)	-	2,134	249	2,383
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	752	-	752
Derivatives not designated as hedges					
Cross currency interest rate swap	9	-	-	10	10
Total		**16**	**2,886**	**259**	**3,161**
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	1,086	-	1,086
Total		**-**	**1,086**	**-**	**1,086**

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2018

	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)	-	2,191	270	2,461
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	268	-	268
Total		**15**	**2,459**	**270**	**2,744**
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	3,949	-	3,949
Total		**-**	**3,949**	**-**	**3,949**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

	Level 1	Level 2	Level 3	Total
At March 31, 2019				
Financial liabilities				
Borrowings[1 & 2]	48,214	-	64,573	112,787
Total financial liabilities	**48,214**	**-**	**64,573**	**112,787**
At March 31, 2018				
Financial liabilities				
Borrowings[1 & 2]	49,411	-	54,804	104,215
Total financial liabilities	**49,411**	**-**	**54,804**	**104,215**

Other financial assets and liabilities which are measured at amortised cost are disclosed in sub-note iv below. Fair values for these financial assets and liabilities are Level 3 valuations.

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables, loans, other current receivables, trade payables and other financial 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, [₹ 7,175 million (March 31, 2018: ₹ 8,349 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] The Company has taken interest rate swap for the borrowing with fixed interest rate amounting to ₹ 5,750 million (March 31,2018: ₹ 5,750 million), because of this, effective finance cost to the company is at current market rate.

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, 2017	676
Addition / Addition on account of business combination (Refer Note 50)	1,653
Disposals	-
Exchange gain / (loss)	179
Gains / (losses) recognised in other comprehensive income	(47)
As at March 31, 2018	**2,461**
Addition	18
Disposals	(5)
Exchange gain / (loss)	(77)
Gains / (losses) recognised in other comprehensive income	(14)
As at March 31, 2019	**2,383**

iv. Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2019		March 31, 2018	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	58	58	48	48
Trade receivables	11,629	11,629	9,465	9,465
Other financial assets	518	518	182	182
	12,205	**12,205**	**9,695**	**9,695**
Financial liabilities				
Borrowings	115,342	112,787	103,736	104,215
Other financial liabilities	4,267	4,267	3,885	3,885
	119,609	**117,054**	**107,621**	**108,100**

Note: The carrying amounts of current financial assets and current financial liabilities i.e. trade receivables, loans, other financial assets, trade payables, short term borrowings and other financial liabilities are considered to be the same as their fair values, due to their short-term nature.

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, 2019	March 31, 2018
Unquoted equity shares	249	270
Significant unobservable inputs#		
Earnings growth rate	4%	5%
Risk adjusted discount rate	16%	16%
Impact of change in risk adjusted discount rate*		
Decrease in discount rate by 0.50%	19	13
Increase in discount rate by 0.50%	(17)	(12)
Impact of change in earning growth rate*		
Decrease in growth rate by 0.50%	(14)	(10)
Increase in growth rate by 0.50%	16	11

There were no significant inter-relationships between unobservable inputs that materially affect fair values

* Holding all the other variable constant, for other significant investment, fair valuation was not performed as at reporting date since the acquisition is made close to reporting period or there is recent investment by other investors 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.

A. Market risk:

Market risk is the risk that the fair value of future cashflows of a financial instruments will fluctuate because of changes in market price/ rate. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits and payables/ receivables in foreign currencies.

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 group. 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 group 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 group 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 group 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 41 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 rate swap to hedge said foreign currency exposure.

The derivative instruments exposure is as follows:

(i) Derivatives outstanding as at the reporting date

			Amounts in million
Particulars/ Purpose	**Currency**	**March 31, 2019**	**March 31, 2018**
Forward Contract (Buy)	HUF : EUR	HUF 9,856; INR 2,327	HUF 4,578; INR 1,172
	USD : EUR	-	USD 12 ; INR 956
	USD : INR	USD 3 ; INR 192	-
	EUR : INR	EUR 1 ; INR 66	-
	JPY : INR	JPY 49 ; INR 31	-
	EUR : USD	EUR 3 ; INR 194	-
	USD : MXP	USD 158 ; INR 9,633	-
	MXP : USD	MXP 613; INR 1,974	MXP 2,428; INR 8,066
	CZK : EUR	CZK 5; INR 16	CZK 409; INR 1293
	CNY : INR	CNY 19; INR 195	-
	CNY : EUR	CNY 93; INR 889	CNY 32; INR 313
	CNY : EUR	-	CNY 0; INR 1
	EUR : CNY	EUR 5; INR 39	-
	USD : AUD	USD 9;INR 638	USD 3;INR 210
	EUR : AUD	-	EUR 0;INR 0
Forward Contract (Sell)	USD : MXP	USD 21; INR 1,509	-
	CZK : EUR	CZK 10; INR 31	-
	EUR : CNY	EUR 0 ; INR 0	-
	USD : EUR	-	USD 5; INR 327
	EUR : USD	-	EUR 2; INR 195
	USD : AUD	-	USD 5; INR 286
	EUR : KRW	EUR 5 ; INR 391	EUR 5 ; INR 415
Cross currency swap	USD : EUR	USD 80; INR 5,755	USD 80; EUR 74
	INR : EUR	INR 5,750; EUR 81	INR 5,750; EUR 81
	USD : EUR	USD 295; INR 20,324	USD 235; EUR 191
	USD : EUR	USD 25; INR 1,693	-
	EUR : USD	USD 2; INR 138	-

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.

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 group's exposure to the risk of changes in market interest rates relates primarily to the group's long term debt obligation at floating interest rates.

The group's approximately 82% (previous year 86%) of long term debt (i.e. more than 60% of gross debt) is borrowed at a fixed rate of interest in a range of 0.6% p.a. to 9.00% p.a. (March 31, 2018 0.6% p.a. to 10.75% p.a.)

The exposure of the Group's borrowing to interest rate changes at the end of reporting period are as follows:

	March 31, 2019	March 31, 2018
Variable rate borrowings	43,406	28,756
Fixed rate borrowings	71,936	74,980
Total borrowings	**115,342**	**103,736**

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 before tax

	March 31, 2019	March 31, 2018
Interest rates-increase by 50 basis points*	(217)	(144)
Interest rates-decrease by 50 basis points*	217	144

* Holding all other variables constant

B. 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.

Trade 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 and impairment.

Financial instruments and cash deposits

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.

C. 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, 2019	March 31, 2018
Floating rate	52,527	53,968

(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, 2019	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	36,332	50,653	38,539	**125,524**
Obligation under finance lease	128	187	3	**318**
Trade payables	106,613	-	-	**106,613**
Other financial liabilities	26,049	4,267	-	**30,316**
Total non-derivative liabilities	**169,122**	**55,107**	**38,542**	**262,771**
Derivatives (net settled)				
Foreign exchange forward contracts	665	421	-	**1,086**
Total derivative liabilities	**665**	**421**	**-**	**1,086**

Year Ending March 31, 2018	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	27,803	43,533	31,927	**103,263**
Obligation under finance lease	232	241	-	**473**
Trade payables	90,640	-	-	**90,640**
Other financial liabilities	11,426	196	-	**11,622**
Total non-derivative liabilities	**130,101**	**43,970**	**31,927**	**205,998**
Derivatives (net settled)				
Foreign exchange forward contracts	1,708	2,253	-	**3,961**
Total derivative liabilities	**1,708**	**2,253**	**-**	**3,961**

(All amounts in ₹ Million, unless otherwise stated)

Impact of hedging activities

a Disclosure of effects of hedge accounting on financial position

March 31, 2019

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					
Cash flow hedge								
(i) Foreign exchange forward contracts	MXP 613	104		Apr'2019- Mar'2020	1:1	USD:MXP : 20.84	104	(104)
	MXP 26	4		Apr'2019 - Aug'2019	1:1	USD:MXP : 20.52	4	(4)
	MXP 1,483	122		Apr'2019 - Nov'2019	1:1	USD:MXP : 20.36	122	(122)
	HUF 9,856	49		Apr'2019- Mar'2020	1:1	EUR:HUF : 328.54	49	(49)
	CNY 4	3		Apr'2019 - Jun'2019	1:1	EUR:CNY : 8.13	3	(3)
	USD 9	0		Apr'2019 - Nov'2019	1:1	AUD:USD : 0.711	(0)	0
	MXP 218	54		Jun'2019 - Sep'2019	1:1	USD:MXP : 21.87	54	(54)
	MXP 417	17		Sep'2019 - Mar'2020	1:1	USD:MXP : 20.66	17	(17)
	EUR 3	0		Apr'2019	1:1	USD :EUR : 0.89	0	(0)
	CNY 93	55		Apr'2019 - Apr'2020	1:1	CNY:EUR : 8.12	55	(55)
	EUR 0		0	May'2019	1:1	CNY:EUR : 0.122	(0)	0
	USD 10	39		May'2020	1:1	MXP:USD : 0.046	39	(39)
	USD 5	10		Sep'2020	1:1	MXP:USD : 0.046	10	(10)
	USD 45	82		Sep'2019 - Mar'2020	1:1	MXP:USD : 0.048	82	(82)
(ii) Cross currency interest rate swap	EUR 158		421	Dec'2021	1:1	EUR:USD - 1.126	1,392	(1,392)
	EUR 26	96		Aug'2023	1:1	EUR:USD - 1.17	96	(96)
	EUR 26	66		Aug'2023	1:1	EUR:USD - 1.17	66	(66)
	EUR 26	26		Jun'2019	1:1	EUR:USD - 1.14	208	(208)
	EUR 26	26		Jun'2019	1:1	EUR:USD - 1.14	208	(208)
	USD 80	-	209	Mar'2022	1:1	EUR:USD: 1.0783	(596)	596
	₹ 5,750	-	456	Mar'2022	1:1	EUR:₹: 64.4517	(435)	435

March 31, 2018

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					
Cash flow hedge								
(i) Foreign exchange forward contracts	MXP 544	103	-	Apr'2018 - Mar'2019	1:1	USD:MXP : 19.75	103	(103)
	MXP 44	7	-	Apr'2018 - Mar'2019	1:1	USD:MXP : 19.48	(1)	1
	EUR 16	24	-	Apr'2018 - Sep'2018	1:1	USD:EUR - 0.8242	24	(24)
	MXP 592	121	-	Sep'2018 - Mar'2019	1:1	USD:MXN - 20.23	121	(121)
	USD 3	1	-	Apr'2018	1:1	EUR:USD - 1.2381	1	(1)
	CNY 32	9	-	Apr'2018 - May'2019	1:1	EUR:CNY - 8.1419	9	(9)
	HUF 4,578	3	-	Apr'2018 - Aug'2018	1:1	EUR:HUF - 313.5314	3	(3)
(ii) Cross currency interest rate swap	USD 175	-	1,876	Dec'2021	1:1	EUR:USD - 1.1077	(2,118)	2,118
	USD 60	-	377	Jun'2019	1:1	EUR:USD - 1.1394	(377)	377
	USD 80	-	805	Mar'2022	1:1	EUR:USD: 1.0783	(805)	805
	₹ 5,750	-	891	Mar'2022	1:1	EUR:₹: 64.4517	(891)	891

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, 2019	March 31, 2018
Net Debt	79,917	75,953
EBITDA	55,686	52,927
Net Debt to EBITDA	**1.44**	**1.44**

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, 2019	March 31, 2018
On Equity shares of ₹ 1 each		
Final dividend		
Amount of dividend paid	4,737	4,210
Dividend per equity share	2.25	2.00

39 Distribution made

	March 31, 2019	March 31, 2018
Cash dividends on equity shares declared and paid		
Final cash dividend for the year ended on March 31, 2018: ₹ 2.25 (March 31, 2017: ₹ 2.00) per share	4,737	4,210
DDT on final dividend*	766	765
Proposed dividends		
Final cash dividend for the year ended on March 31, 2019: ₹ 1.5 per share (March 31, 2018: ₹ 2.25 per share)	4,737	4,737
DDT on proposed dividend	974	964
	5,711	**5,701**

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31.

* Amount of dividend distribution tax (DDT) is net of withholding tax credit on dividend received from subsidiary company

40 Related Party Disclosures

I. Related party disclosures, as required by Ind AS 24, "Related Party Disclosures", are given below:

a. Promoters / Entities with joint control over the entity

	Name	Ownership interest		
		Place of incorporation	March 31, 2019	March 31, 2018
1	Samvardhana Motherson International Limited	India	33.43%	33.43%
2	Sumitomo Wiring Systems Limited, Japan	Japan	25.10%	25.10%

b. Joint Ventures:

1 Kyungshin Industrial Motherson Private Limited

2 Calsonic Kansei Motherson Auto Products Private Limited

3 Ningbo SMR Huaxiang Automotive Mirrors Co. Limited

4 Chongqing SMR Huaxiang Automotive Products Limited

5 Tianjin SMR Huaxiang Automotive Part Co. Limited

6 Eissmann SMP Automotive interieur Slovakia s.r.o.

c. Associate Companies:

1 Saks Ancillaries Limited

2 Re-time Pty Limited

3 Hubei Zhengao PKC Automotive Wiring Company Ltd. (incorporated on August 01, 2017)

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, 2019	March 31, 2018
Short-term employee benefits	260	196
Directors commission/sitting fees	21	20
Post-employment benefits payable	40	34
Long-term employee benefits payable	14	12

(All amounts in ₹ Million, unless otherwise stated)

(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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Sale of products	-	-	5,327	4,945	-	-	4	3	369	286
2	Sales of services	-	-	723	688	-	-	17	12	69	68
3	Rent income	-	-	29	28	-	-	-	-	61	57
4	Sale of property, plant and equipment	-	-	-	-	-	-	0	-	1	-
5	Purchase of goods	-	-	2,831	2,934	-	-	6,367	5,331	1,458	1,726
6	Purchase of fixed assets	-	-	-	-	-	-	44	108	2,527	1,583
7	Purchase of services	-	-	4	5	-	-	55	59	3,265	2,043
8	Rent expense	2	3	-	-	5 *	5 *	48	14	524	766
9	Reimbursement made	-	-	1	2	0	0	7	10	90	61
10	Reimbursement received	-	-	2	1	-	-	12	5	14	35
12	Shares issued during the year	-	-	-	-	-	-	-	-	-	2
13	Investments redeemed/ sale of shares	-	-	-	-	-	-	-	-	-	-
14	Royalty	-	-	-	-	-	-	92	82	-	-
15	Dividend paid	-	-	-	-	135 **	120 **	2,773	2,522	33	5
16	Dividend received	-	-	172	215	-	-	-	-	-	2
17	Capital received from minority	-	-	-	-	-	-	-	-	-	2

(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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Trade Payable	-	0	403	342	-	-	1,519	1,166	971	856
2	Trade Receivable	-	-	767	1,389	-	-	7	3	160	166
3	Capital advances	-	-	-	-	-	-	-	-	19	98
4	Advances recoverable	-	-	0	-	-	-	0	0	197	341
5	Investments*	-	-	-	-	-	-	-	-	14	14
6	Advances from customer	-	-	-	-	-	-	0	-	1	0

* Investment in joint venture and associates companies are not diclosed in above table. Refer note 48 for investment in joint ventures and associates.

(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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
i.	**Security deposits given:**	**-**									
	Beginning of the year	-	-	-	-	-	-	-	-	469	434
	Security deposit given	-	-	-	-	-	-	-	-	70	47
	Security deposits received back	-	-	-	-	-	-	-	-	(30)	(12)
	End of the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**509**	**469**
ii.	**Security Deposit Received:**										
	Beginning of the year	-	-	35	35	-	-	-	-	16	16
	Security deposits received	-	-	-	-	-	-	-	-	-	-
	Security deposits repaid	-	-	-	-	-	-	-	-	(1)	-
	End of the year	**-**	**-**	**35**	**35**	**-**	**-**	**-**	**-**	**15**	**16**
iii.	**Loans given:**										
	Beginning of the year	-	-	-	-	-	-	-	-	200	447
	Loans given	-	-	-	-	-	-	-	-	-	173
	Interest income	-	-	-	-	-	-	-	-	1	11
	Loans & interest received back	-	-	-	-	-	-	-	-	(167)	(431)
	End of the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**34**	**200**
iv.	**Loans taken:**										
	Beginning of the year	-	-	-	-	-	-	1	-	-	-
	Loans received	-	-	-	-	-	-	-		5,701	-
	Interest expense	-	-	-	-	-	-	0	1	88	-
	Loans repaid	-	-	-	-	-	-	-	-	-	-
	Interest paid	-	-	-	-	-	-	-	-	-	-
	End of the year	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**1**	**5,789**	**-**

* Rent of ₹ 5 million (March 31, 2018: ₹ 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of ₹ 135 million (March 31, 2018 : ₹ 120 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, Ms. Geeta Mathur, Mr Naveen Ganzu, Arjun Puri and Alok Goel

41 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 subsidiaries of Samvardhana Motherson Reflectec Group Holdings Limited which are engaged in development, manufacture and supply of rear view mirrors and drive assistance systems.
SMP	Represents subsidiaries of Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) (an overseas subsidiary of the Company) which are engaged in manufacturing and supplies of plastic parts and system modules for vehicle interiors and exteriors.
PKC	Represents PKC Group Plc including its subsidiaries. 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.
Others	Comprise other subsidiaries of the Company (excluding SMR, SMP and PKC defined above) 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, 2019	March 31, 2018
MSSL Standalone	75,813	76,673
SMR	131,809	121,142
SMP	301,791	261,636
PKC	96,431	79,389
Others	45,075	39,765
Total	**650,918**	**578,605**
Less: Intersegment	15,689	13,392
Total revenue from operation as per profit and loss statement	**635,229**	**565,213**

Disaggregated revenue information

India	76,008	74,032
Germany	152,231	154,912
Spain	38,057	71,498
USA	92,050	77,208
Others*	276,883	187,563
	635,229	**565,213**

* None of the other countries contribute materially to the revenue of the group.

Type of goods or Services

	March 31, 2019
Sales of Components	571,808
Tool development	53,908
Assembly of components	3,291
Others operating revenue	2,568
Total revenue from contracts with customers	**631,575**

Timing of revenue recognition

	March 31, 2019
As a point in time	578,303
Over a period of time	53,272
Total revenue from contracts with customers	**631,575**

(c) EBITDA

	March 31, 2019	March 31, 2018
MSSL Standalone	14,593	14,723
SMR	16,346	15,016
SMP	13,557	15,684
PKC	8,586	5,552
Others	16,233	9,138
Total	**69,315**	**60,113**
Less: Intersegment	13,629	7,186
Total	**55,686**	**52,927**
Add: unallocated income / (expenses)		
Depreciation	(20,582)	(15,752)
Finance costs	(4,232)	(4,108)
Company's share in net profit / (loss) of associates and joint ventures accounted for using the equity method	1,131	1,381
Exceptional items income/ (expense)	-	(1,777)
Income tax expense	(11,022)	(10,072)
Profit after tax	**20,981**	**22,599**

(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, 2019	March 31, 2018
MSSL Standalone	42,503	39,471
SMR	73,677	70,033
SMP	213,119	166,427
PKC	44,570	43,679
Others	132,785	116,705
Total	**506,654**	**436,315**
Less: Intersegment	91,856	77,896
Unallocated:		
Deferred Tax	6,123	6,266
Non-current Tax	2,524	1,061
Other corporate assets and investments	9,857	9,230
Total assets as per balance sheet	**433,302**	**374,976**

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, 2019	March 31, 2018
India	23,256	18,352
Germany	35,630	28,774
Spain	12,346	8,379
USA	25,717	21,682
Others*	107,299	101,860
Total	**204,248**	**179,047**

* 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.

Capital expenditure

	March 31, 2019	March 31, 2018
MSSL Standalone	3,976	3,040
SMR	4,989	5,939
SMP	13,803	15,416
PKC	2,578	2,398
Others	1,507	3,515
Total	**26,853**	**30,308**

(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, 2019	March 31, 2018
MSSL Standalone	26,006	26,262
SMR	37,222	33,046
SMP	177,568	143,066
PKC	28,150	30,561
Others	34,115	20,964
Total	**303,061**	**253,899**
Less: Intersegment	91,593	77,731
Deferred Tax	5,762	5,236
Current Tax	4,148	2,261
Other common / unallocated liabilities	67,500	62,871
Total	**288,877**	**246,535**

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, 2019	March 31, 2018
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (Net of Advances of ₹ 645 million (March 31, 2018: ₹ 1,770 million))	6,239	9,278
Investment Property		
Estimated value of purchase consideration outstanding, (Net of Advances of Nil (March 31, 2018: ₹ 132 million))	-	27
Total	**6,239**	**9,305**
Other Commitments		
Bank Guarantee	1,390	699
Others	242	4

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 48

43 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, 2019	March 31, 2018
a)	Excise, sales tax and service tax matters #	135	94
b)	Claims made by workmen	123	124
c)	Income tax matters	327	247
d)	Unfulfilled export commitment under EPCG scheme	108	108
e)	Others (refer note 'c' below)	2,093	1,301

Against which Group has given bank guarantees amounting to ₹ 9 million (March 31, 2018 : ₹ 222 million)

(a) The Group 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) The Group has acted as surety in respect of subsidy received by one of its subsidiary, which limits the total liability of the Group to 1.2x of the amount of subsidy granted. As per the conditions of subsidy received from the local government the subsidiary is required to incur certain level of capital expenditure along with maintaining the headcount at certain level for a period of 5 years. As of March 31, 2019, both the conditions have been fulfilled however headcount level needs to be sustained for 5 years therefore the Group may be contingently liable for ₹ 2,077 million (March 31, 2018: ₹ 1,213 million) in the event of non-compliance of subsidy conditions by the subsidiary in the future.

(d) Above contingent liability includes group share of contingent liability of the associates and joint ventures entities.

For contingent liabilities relating to associates and joint ventures refer to note 48

44 Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are

	March 31, 2019	March 31, 2018
Current:		
Financial assets		
Floating charge		
Cash and cash equivalents	15,207	9,247
Inventories	21,125	16,910
Receivables	49,284	44,800
Other current assets	5,871	6,387
Total current assets pledged as security	**91,487**	**77,344**
Non-Current:		
First charge		
Freehold land	2,569	1,134
Buildings	28,615	30,893
Plant & Machinery	42,094	37,660
PPE under finance lease	2,659	970
Investment Property	872	822
Other non-current assets	11,213	1,485
Total non-current assets pledged as security	**88,022**	**72,964**
Total assets pledged as security	**179,509**	**150,308**

Further, loan amounting to ₹ 16,703 million (March 31, 2018: ₹ 16,574 million) has been obtained against security of pledge of shares of an overseas subsidiary company which has been eliminated on consolidation.

45 Ind AS 115 Revenue from contracts with customers

Effective April 1, 2018, the Group has adopted Ind AS 115, 'Revenue from Contracts with Customers', with a modified retrospective approach. The management has evaluated the implications of implementation of new standard on its revenue and has made appropriate adjustments to these results where significant. In certain contracts, it has been assessed that the Group is acting as an agent and therefore, revenue from sales of goods has been recognised excluding the cost of components sold. This change in presentation has resulted in decrease in gross sales by ₹ 54,046 million and does not have impact on profit before tax. The figures for the corresponding periods have not been restated since not required.

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2019
Within one year	31,786
More than one year	17,827
Total	**49,613**

Table below provides information on revenue recognised from :

	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	538
Performance obligations partly satisfied in previous years	43,126

As permitted under the transitional provisions in IND AS 115, the transaction price allocated to (partially) unsatisfied performance obligations as of March 31, 2018 is not disclosed.

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2019	March 31, 2018
Receivables	73,292	65,701
Contract assets	39,581	33,511
Contract liabilities	1,705	2,197

Contract assets are initially recognised for revenue earned from development of tools and secondary equipment as receipt of consideration is conditional on successful completion and acceptance by the customer. Upon completion and acceptance by the customer, the amounts recognised as contract assets are reclassified to trade receivables. The expected credit loss on contract assets is considered very low and hence no provision for credit loss is recorded in respect of contract assets.

46 Leases

i. Finance Leases:

Assets acquired on finance lease 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, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Not later than one year	125	246	117	231
Later than 1 year and not later than 5 years	186	230	173	212
Later than 5 years	3	30	3	30
Total	**314**	**506**	**293**	**473**
Less: Finance Charges	21	33		
Present value of minimum lease payment	**293**	**473**		
Disclosed under:				
Other long term borrowings (Refer Note 17)	293	473		

ii. Operating Leases:

The Company has significant operating leases for premises. 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 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, 2019	March 31, 2018
Payable not later than 1 year	2,209	2,408
Payable later than 1 year and not later than 5 years	5,015	2,924
Payable later than 5 years	1,242	390
	8,466	**5,722**

	March 31, 2019	March 31, 2018
With respect to all operating leases;		
Lease payments recognized in the Statement of Profit and Loss during the year	7,353	5,825
Sub-lease payments received/receivable recognized in the Statement of Profit and Loss during the year	83	84

Repairs and maintenance : investment property

	March 31, 2019	March 31, 2018
Contractual obligation for future repairs and maintenance not recognised as liability	-	121

47 Standard issued but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and has amended the following standard:

A Ind AS 116 Leases

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group will adopt Ind AS 116 effective annual reporting period beginning April 1, 2019. The Group will apply the standard to its leases, prospectively using the modified retrospective method as mandated by Para C5(b) and Para C8(c)(ii) of Ind AS 116. Accordingly, the Group will not restate comparative information and there will no cumulative effect of initially applying this Standard to be recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019. On that date, the Group will recognise a lease liability measured at the present value of the remaining lease payments. The right-of-use asset is recognised at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. The lease liability and right-of-use asset is discounted using the lessee's incremental borrowing rate as at April 1, 2019. In accordance with the standard, the Group will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value.

On transition, the Group will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application.

Previously, the Group recognised operating lease expense on a straight line basis over the term of the lease, and recognised assets and liabilities only to the extent that there was a timing difference between actual lease payments and the expense recognised.

As a lessor, sublease shall be classified an operating lease if the head lease is classified as a short term lease. In all other cases the sublease shall be classified as a finance lease.

The Group is in the process of finalising changes to systems and processes to meet the accounting and the reporting requirements of the standard in conjunction with review of lease agreements. The Group is also in the process of quantifying the impact of the standard on its balance sheet on the date of initial application.

B Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The Interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 and does not apply to taxes or levies outside the scope of Ind AS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The Interpretation specifically addresses the following:

- Whether an entity considers uncertain tax treatments separately
- The assumptions an entity makes about the examination of tax treatments by taxation authorities
- How an entity determines taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates
- How an entity considers changes in facts and circumstances

An entity has to determine whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments. The approach that better predicts the resolution of the uncertainty should be followed. In determining the approach that better predicts the resolution of the uncertainty, an entity might consider, for example, (a) how it prepares its income tax filings and supports tax treatments; or (b) how the entity expects the taxation authority to make its examination and resolve issues that might arise from that examination.

The interpretation is effective for annual reporting periods beginning on or after April 01, 2019, but certain transition reliefs are available. The Group will apply the interpretation from its effective date. Since the Group operates in a complex multinational tax environment, applying the Interpretation may affect its consolidated financial statements. In addition, the Group may need to establish processes and procedures to obtain information that is necessary to apply the Interpretation on a timely basis.

C Amendments to Ind AS 109: Prepayment Features with Negative Compensation

Under Ind AS 109, a debt instrument can be measured at amortised cost or at fair value through other comprehensive income, provided that the contractual cash flows are 'solely payments of principal and interest on the principal amount outstanding' (the SPPI criterion) and the instrument is held within the appropriate business model for that classification. The amendments to Ind AS 109 clarify that a financial asset passes the SPPI criterion regardless of the event or circumstance that causes the early termination of the contract and irrespective of which party pays or receives reasonable compensation for the early termination of the contract.

The amendments should be applied retrospectively and are effective for annual periods beginning on or after April 01,2019. The Group is in the process of quantifying the impact of amendment to IND AS 109.

D Amendments to Ind AS 19: Plan Amendment, Curtailment or Settlement

The amendments to Ind AS 19 address the accounting when a plan amendment, curtailment or settlement occurs during a reporting period. The amendments specify that when a plan amendment, curtailment or settlement occurs during the annual reporting period, an entity is required to:

- Determine current service cost for the remainder of the period after the plan amendment, curtailment or settlement, using the actuarial assumptions used to remeasure the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event.

- Determine net interest for the remainder of the period after the plan amendment, curtailment or settlement using: the net defined benefit liability (asset) reflecting the benefits offered under the plan and the plan assets after that event; and the discount rate used to remeasure that net defined benefit liability (asset).

The amendments also clarify that an entity first determines any past service cost, or a gain or loss on settlement, without considering the effect of the asset ceiling. This amount is recognised in profit or loss.

An entity then determines the effect of the asset ceiling after the plan amendment, curtailment or settlement. Any change in that effect, excluding amounts included in the net interest, is recognised in other comprehensive income.

The amendments apply to plan amendments, curtailments, or settlements occurring on or after the beginning of the first annual reporting period that begins on or after April 01, 2019. These amendments will apply only to any future plan amendments, curtailments, or settlements of the Group. The Group is in the process of quantifying the impact of amendment to IND AS 19.

E Amendments to Ind AS 28: Long-term interests in associates and joint ventures

The amendments clarify that an entity applies Ind AS 109 to long-term interests in an associate or joint venture to which the equity method is not applied but that, in substance, form part of the net investment in the associate or joint venture (long-term interests). This clarification is relevant because it implies that the expected credit loss model in Ind AS 109 applies to such long-term interests.

The amendments also clarified that, in applying Ind AS 109, an entity does not take account of any losses of the associate or joint venture, or any impairment losses on the net investment, recognised as adjustments to the net investment in the associate or joint venture that arise from applying Ind AS 28 Investments in Associates and Joint Ventures.

The amendments should be applied retrospectively in accordance with Ind AS 8 for annual reporting periods on or after April 01, 2019. Since the Group applies equity method for all of its investment in associate and joint venture, the amendments will not have an impact on its consolidated financial statements.

F Amendments to Ind AS 12: Income Taxes

The amendments clarify that the income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity recognises the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

An entity applies those amendments for annual reporting periods beginning on or after April 01, 2019. Since the Group's current practice is in line with these amendments. The Group is in the process of quantifying the impact of amendment to Ind AS 12.

G Amendments to Ind AS 23: Borrowing Costs

The amendments clarify that an entity treats as part of general borrowings any borrowing originally made to develop a qualifying asset when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete.

An entity applies those amendments to borrowing costs incurred on or after the beginning of the annual reporting period in which the entity first applies those amendments. An entity applies those amendments for annual reporting periods beginning on or after April 01, 2019. The Group's current practice is in line with these amendments. The Group is in the process of quantifying the impact of amendment to Ind AS 23.

48 Interest in other entities

A. Details of subsidiaries which have been consolidated are as follows:

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
1	MSSL Mauritius Holdings Limited (MMHL)	Mauritius	100%	100%	0%	0%	March 31, 2019
2	Motherson Electrical Wires Lanka Private Limited	Sri Lanka	100%	100%	0%	0%	March 31, 2019
3	MSSL Mideast (FZE)	UAE	100%	100%	0%	0%	March 31, 2019
4	MSSL (S) Pte Limited	Singapore	100%	100%	0%	0%	March 31, 2019
5	MSSL Automobile Component Limited	India	100%	100%	0%	0%	March 31, 2019
6	Samvardhana Motherson Polymers Limited (SMPL)	India	51%	51%	49%	49%	March 31, 2019
7	Motherson Polymers Compounding Solution Limited	India	100%	100%	0%	0%	March 31, 2019
8	MSSL (GB) Limited (Jointly held by the Company and MSSL Mideast (FZE))	UK	100%	100%	0%	0%	March 31, 2019
9	Motherson Wiring System (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2019
10	MSSL Tooling (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2019
11	MSSL GmbH (held by MSSL Mideast (FZE))	Germany	100%	100%	0%	0%	March 31, 2019
12	Samvardhana Motherson Invest Deutschland GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
13	MSSL Advanced Polymers s.r.o.(held by MSSL GmbH)	Czech Republic	100%	100%	0%	0%	March 31, 2019
14	Motherson Techno Precision GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
15	MSSL s.r.l. Unipersonale (held by MSSL (GB) Limited)	Italy	100%	100%	0%	0%	March 31, 2019

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
16	Samvardhana Motherson Polymers Management Germany GMBH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
17	Motherson Techno Precision México, S.A. de C.V (held by Motherson Techno Precision GmbH)	Mexico	100%	100%	0%	0%	March 31, 2019
18	MSSL Manufacturing Hungary Kft (held by MSSL GMBH)	Hungary	100%	100%	0%	0%	March 31, 2019
19	Motherson Air Travel Pvt Ltd (held by MSSL GMBH as at March 31, 2018 and held by MSSL Mideast (FZE) as at March 31, 2019)	Ireland	100%	100%	0%	0%	March 31, 2019
20	MSSL Australia Pty Limited (held by MSSL (S) Pte. Limited during previous years)	Australia	80%	80%	20%	20%	March 31, 2019
21	Motherson Elastomers Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2019
22	Motherson Investments Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2019
23	MSSL Ireland Private Limited (held by MSSL (GB) Limited)	Ireland	100%	100%	0%	0%	March 31, 2019
24	MSSL Global RSA Module Engineering Limited (held by MSSL Mauritius Holdings Limited)	South Africa	100%	100%	0%	0%	March 31, 2019
25	MSSL Japan Limited (held by MSSL (S) Pte Limited)	Japan	100%	100%	0%	0%	March 31, 2019
26	Vacuform 2000 (Proprietary) Limited (held by MSSL Mauritius Holdings Limited)	South Africa	51%	51%	49%	49%	March 31, 2019
27	MSSL México, S.A. De C.V. (held by MSSL (S) Pte Limited)	Mexico	100%	100%	0%	0%	March 31, 2019
28	MSSL WH System (Thailand) Co., Ltd (held by MSSL (S) Pte. Ltd.)	Thailand	100%	100%	0%	0%	March 31, 2019
29	MSSL Korea WH Limited (held by MSSL (S) Pte. Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2019
30	MSSL Consolidated Inc. (held by MSSL (GB) Ltd.)	USA	100%	100%	0%	0%	March 31, 2019
31	MSSL Overseas Wiring System Ltd. (held by MSSL (GB) Ltd.) liquidated on January 29, 2019	UK	-	100%	-	0%	March 31, 2019
32	MSSL Wiring System Inc (held by MSSL Consolidated Inc.)	USA	100%	100%	0%	0%	March 31, 2019
33	Alphabet de Mexico, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2019

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
34	Alphabet de Mexico de Monclova, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2019
35	Alphabet de Saltillo, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2019
36	MSSL Wirings Juarez, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2019
37	Samvardhana Motherson Global Holdings Ltd. (SMGHL) (held by MSSL Mauritius Holdings Limited)	Cyprus	51%	51%	49%	49%	March 31, 2019
38	Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (held by SMGHL and SMPL)	Netherlands	100%	100%	0%	0%	March 31, 2019
39	Samvardhana Motherson Reflectec Group Holdings Limited (SMR) (held by SMRPBV)	Jersey	98.45%	98.45%	1.55%	1.55%	March 31, 2019
40	SMR Automotive Technology Holding Cyprus Limited (held by SMR)	Cyprus	100%	100%	0%	0%	March 31, 2019
41	SMR Automotive Mirror Parts and Holdings UK Ltd (held by SMR)	UK	100%	100%	0%	0%	March 31, 2019
42	SMR Automotive Holding Hong Kong Limited (held by SMR)	Hong Kong	100%	100%	0%	0%	March 31, 2019
43	SMR Automotive Systems India Limited (Jointly held by the Company and SMR Automotive Technology Holding Cyprus Limited)	India	100%	100%	0%	0%	March 31, 2019
44	SMR Automotive Systems France S.A. (held by SMR Automotive Technology Holding Cyprus Limited)	France	100%	100%	0%	0%	March 31, 2019
45	SMR Automotive Mirror Technology Holding Hungary KFT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2019
46	SMR Patents S.à.r.l. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Luxembourg	100%	100%	0%	0%	March 31, 2019
47	SMR Automotive Technology Valencia S.A.U. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Spain	100%	100%	0%	0%	March 31, 2019
48	SMR Automotive Mirrors UK Limited (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	UK	100%	100%	0%	0%	March 31, 2019

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
49	SMR Automotive Mirror International USA Inc. (held by SMR Mirrors UK Limited)	USA	100%	100%	0%	0%	March 31, 2019
50	SMR Automotive Systems USA Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2019
51	SMR Automotive Beijing Company Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2019
52	SMR Automotive Yancheng Co. Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2019
53	SMR Automotive Mirror Systems Holding Deutschland GmbH (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Germany	100%	100%	0%	0%	March 31, 2019
54	SMR Holding Australia Pty Limited (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Australia	100%	100%	0%	0%	March 31, 2019
55	SMR Automotive Australia Pty Limited (held by SMR Holding Australia Pty Ltd.)	Australia	100%	100%	0%	0%	March 31, 2019
56	SMR Automotive Mirror Technology Hungary BT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2019
57	SMR Automotive Modules Korea Ltd. (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	South Korea	100%	100%	0%	0%	March 31, 2019
58	SMR Automotive Beteiligungen Deutschland GmbH (held by SMR)	Germany	100%	100%	0%	0%	March 31, 2019
59	SMR Hyosang Automotive Ltd. (held by SMR Automotive Modules Korea Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2019
60	SMR Automotive Mirrors Stuttgart GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
61	SMR Automotive Systems Spain S.A.U (held by SMR Automotive Mirrors Stuttgart GmbH)	Spain	100%	100%	0%	0%	March 31, 2019
62	SMR Automotive Vision Systems Mexico S.A de C.V (Jointly held by SMR Automotive Mirrors Stuttgart GmbH and SMR Automotive Systems Spain S.A.U.)	Mexico	100%	100%	0%	0%	March 31, 2019

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
63	SMR Automotive Servicios Mexico S.A de C.V (held by SMR Automotive Vision Systems Mexico S.A de C.V) - under liquidation	Mexico	100%	100%	0%	0%	March 31, 2019
64	Samvardhana Motherson Corp Management Shanghai Co Ltd. (held by SMR Automotive Mirrors Stuttgart GmbH)	China	100%	-	0%	-	March 31, 2019
65	SMR Grundbesitz GmbH & Co. KG (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	93.07%	93.07%	6.93%	6.93%	March 31, 2019
66	SMR Automotive Brasil Ltda. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Brazil	100%	100%	0%	0%	March 31, 2019
67	SMR Automotive System (Thailand) Limited (held by SMR Automotive Technology Holding Cyprus Limited)	Thailand	100%	100%	0%	0%	March 31, 2019
68	SMR Automotives Systems Macedonia Dooel Skopje (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Macedonia	100%	100%	0%	0%	March 31, 2019
69	SMR Automotive Operations Japan K.K. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Japan	100%	100%	0%	0%	March 31, 2019
70	SMR Automotive (Langfang) Co. Ltd (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2019
71	SMR Automotive Vision System Operations USA INC (held by SMR)	USA	100%	100%	0%	0%	March 31, 2019
72	SMR Mirror UK Limited (held by SMR Automotive Vision System Operations USA INC)	UK	100%	100%	0%	0%	March 31, 2019
73	Motherson Innovations Company Limited (held by SMR)	UK	100%	100%	0%	0%	March 31, 2019
74	Motherson Innovations Deutschland GmbH (held by Motherson Innovations Company Limited)	Germany	100%	100%	0%	0%	March 31, 2019
75	Motherson Innovations LLC (held by Motherson Innovations Company Limited)	USA	100%	-	0%	-	March 31, 2019
76	Samvardhana Motherson Global (FZE) (held by SMR)	UAE	100%	100%	0%	0%	March 31, 2019

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
77	SMR Automotive Industries RUS Limited Liability Company (jointly held by SMR Automotive Mirror Technology Holding Hungary Kft & SMR Automotive Technology Holding Cyprus Ltd.)	Russia	100%	100%	0%	0%	March 31, 2019
78	Samvardhana Motherson Peguform GmbH (SMP) (held by SMRPBV)	Germany	100%	100%	0%	0%	March 31, 2019
79	SMP Automotive Interiors (Beijing) Co. Ltd. (held by SMRPBV)	China	100%	100%	0%	0%	March 31, 2019
80	SMP Deutschland GmbH (held by Samvardhana Motherson Peguform GmbH and SMGHL)	Germany	100%	100%	0%	0%	March 31, 2019
81	SMP Logistik Service GmbH (held by SMP Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
82	"SMP Automotive Solutions Slovakia s.r.o. (held by SMP Deutschland GmbH)"	Slovakia	100%	100%	0%	0%	March 31, 2019
83	Changchun Peguform Automotive Plastics Technology Co., Ltd.(held by SMP Deutschland GmbH)	China	50% +1share	50% +1share	50% -1share	50% -1share	March 31, 2019
84	Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2019
85	Shenyang SMP Automotive Plastic Component Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2019
86	Tianjin SMP Automotive Component Company Limited (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2019
87	SMP Automotive Technology Management Services (Changchun) Co. Ltd. (held by SMP Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2019
88	SMP Automotive Technology Iberica S.L. (held by SMRPBV)	Spain	100%	100%	0%	0%	March 31, 2019
89	Samvardhana Motherson Peguform Barcelona S.L.U (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2019
90	SMP Automotive Technologies Teruel Sociedad Limitada (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2019

(All amounts in ₹ Million, unless otherwise stated)

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
91	Samvardhana Motherson Peguform Automotive Technology Portugal S.A. (held by SMP Automotive Technology Iberica S.L.)	Portugal	100%	100%	0%	0%	March 31, 2019
92	SMP Automotive Systems Mexico S.A. de C.V. (held by SMP Automotive Technology Iberica S.L.)	Mexico	100% -1 share	100% -1 share	0%	0%	March 31, 2019
93	SMP Automotive Produtos Automotivos do Brasil Ltda. (held by SMP Automotive Technology Iberica S.L.)	Brazil	100% -1 share	100% -1 share	0%	0%	March 31, 2019
94	SMP Automotive Exterior GmbH (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
95	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
96	Samvardhana Motherson Innovative Autosystems Holding Company BV (held by SMR)	Netherlands	100%	100%	0%	0%	March 31, 2019
97	SM Real Estate GmbH (held by SMGHL & SMP Automotive Exterior GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
98	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V. (held jointly by SMR & SMP)	Mexico	100%	100%	0%	0%	March 31, 2019
99	SMP Automotive Systems Alabama Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2019
100	Celulosa Fabril S.A. (held by SMP automotive technology Iberica S.L.)	Spain	50%	50%	50%	50%	March 31, 2019
101	Modulos Ribera Alta S.L.Unipersonal (held by Celulosa Fabril S.A.)	Spain	100%	100%	0%	0%	March 31, 2019
102	Motherson Innovations Lights GmbH & Co KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2019
103	Motherson Innovations Lights Verwaltungs GmbH (held by Motherson Innovations Lights GmbH & Co KG)	Germany	100%	100%	0%	0%	March 31, 2019
104	MSSL Estonia WH OÜ (held by MSSL (GB) Limited)	Estonia	100%	100%	0%	0%	March 31, 2019
105	PKC Group Plc (held by MSSL Estonia WH OÜ)	Finland	100%	100%	0%	0%	March 31, 2019
106	PKC Wiring Systems Oy (held by PKC Group Plc)	Finland	100%	100%	0%	0%	March 31, 2019

(All amounts in ₹ Million, unless otherwise stated)

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
107	PKC Netherlands Holding B.V. (held by PKC Group Plc)	Netherlands	100%	100%	0%	0%	March 31, 2019
108	PKC Group Poland Sp. z o.o. (held by PKC Eesti AS)	Poland	100%	100%	0%	0%	March 31, 2019
109	PKC Wiring Systems Llc (held by PKC Wiring Systems Oy)	Serbia	100%	100%	0%	0%	March 31, 2019
110	PKC Group APAC Limited (held by PKC Wiring Systems Oy)	Hong Kong	100%	100%	0%	0%	March 31, 2019
111	PKC Group Canada Inc. (held by PKC Wiring Systems Oy)	Canada	100%	100%	0%	0%	March 31, 2019
112	PKC Group USA Inc. (held by PKC Wiring Systems Oy)	USA	100%	100%	0%	0%	March 31, 2019
113	PKC Group Mexico S.A. de C.V. (held by PKC Wiring Systems Oy)	Mexico	100%	100%	0%	0%	March 31, 2019
114	Project del Holding S.a.r.l. (held by PKC Wiring Systems Oy)	Luxembourg	100%	100%	0%	0%	March 31, 2019
115	PK Cables do Brasil Ltda (jointly held by PKC Wiring Systems Oy & Project Del Holding S.à.r.l.)	Brazil	100%	100%	0%	0%	March 31, 2019
116	PKC Eesti AS (held by PKC Wiring Systems Oy)	Estonia	100%	100%	0%	0%	March 31, 2019
117	TKV-sarjat Oy (held by PKC Wiring Systems Oy)	Finland	100%	100%	0%	0%	March 31, 2019
118	PKC SEGU Systemelektrik GmbH (held by PKC Wiring Systems Oy)	Germany	100%	100%	0%	0%	March 31, 2019
119	PK Cables Nederland B.V. (held by PKC Netherlands Holding B.V.)	Netherlands	100%	100%	0%	0%	March 31, 2019
120	Groclin Luxembourg S.à r.l. (held by PKC Group Poland Holding Sp. z o.o.)	Luxembourg	100%	100%	0%	0%	March 31, 2019
121	PKC Vehicle Technology (Suzhou) Co., Ltd. (held by PKC Group APAC Limited)	China	100%	100%	0%	0%	March 31, 2019
122	AEES Inc. (held by PKC Group USA Inc.)	USA	100%	100%	0%	0%	March 31, 2019
123	PKC Group Lithuania UAB (held by PKC Eesti AS)	Lithuania	100%	100%	0%	0%	March 31, 2019
124	PKC Group Poland Holding Sp. z o.o. (held by PKC Wiring Systems Oy)	Poland	100%	100%	0%	0%	March 31, 2019
125	OOO AEK (jointly held by PKC Eesti AS & TKV sarjat O)	Russia	100%	100%	0%	0%	March 31, 2019
126	Kabel-Technik-Polska Sp. z o.o. (held by Groclin Luxembourg S.à r.l.)	Poland	100%	100%	0%	0%	March 31, 2019
127	T.I.C.S. Corporation (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2019

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
128	AEES Power Systems Limited partnership (jointly held by T.I.C.S. Corporation & AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2019
129	Fortitude Industries Inc. (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2019
130	AEES Manufactuera, S. De R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
131	Cableodos del Norte II, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
132	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
133	Arneses y Accesorios de México, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
134	Asesoria Mexicana Empresarial, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
135	Arneses de Ciudad Juarez, S. de R.L de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
136	PKC Group de Piedras Negras, S. de R.L. de C.V. (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
137	PKC Group AEES Commercial S. de R.L de C.V (held by Project del Holding S.a.r.l.)	Mexico	100%	100%	0%	0%	March 31, 2019
138	Jiangsu Huakai-PKC Wire Harness Co., Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2019
139	PKC Vechicle Technology (Hefei) Co, Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2019
140	Shangdong Huakai-PKC Wire Harness Co., Ltd. (held by Jiangsu Huakai-PKC Wire Harness Co., Ltd.)	China	100%	100%	-	-	March 31, 2019
141	Global Environment Management (FZC) (held by MSSL Mauritius Holdings Limited)1	UAE	100%	100%	0%	0%	March 31, 2019
142	Global Environment Management Australia Pty Limited (held by Global Environment Management (FZC)), liquidated on April 20, 2018	Australia	-	100%	-	0%	March 31, 2019
143	SMRC Automotive Interiors Management B.V. (held by SMRPBV)*	Netherlands	100%	-	0%	-	March 31, 2019

 (All amounts in ₹ Million, unless otherwise stated)

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
144	SMRC Automotive Holdings B.V. (jointly held by SMRPBV and SMRC Automotive Interiors Management B.V.)*	Netherlands	100%	-	0%	-	March 31, 2019
145	SMRC Automotive Holdings Netherlands B.V. (held by SMRC Automotive Holdings B.V.)*	Netherlands	100%	-	0%	-	March 31, 2019
146	SMRC Automotives Techno Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	-	0%	-	March 31, 2019
147	SMRC Smart Automotive Interior Technologies USA, LLC (held by SMRC Automotive Holdings Netherlands B.V.)*	USA	100%	-	0%	-	March 31, 2019
148	SMRC Automotive Modules France SAS (held by SMRC Automotive Holdings Netherlands B.V.)*	France	100%	-	0%	-	March 31, 2019
149	Reydel Automotive Holding Spain, S.L.U. (held by SMRC Automotive Holdings Netherlands B.V.)*	Spain	100%	-	0%	-	March 31, 2019
150	SMRC Automotive Interiors Spain S.L.U. (held by Reydel Automotive Holding Spain , S.L.U)*	Spain	100%	-	0%	-	March 31, 2019
151	Reydel Automotive Croatia d.o.o. (held by SMRC Automotive Holdings Netherlands B.V.)*	Croatia	100%	-	0%	-	March 31, 2019
152	Reydel Automotive Morocco SAS (held by SMRC Automotive Holdings Netherlands B.V.)*	Morocco	100%	-	0%	-	March 31, 2019
153	SMRC Automotive Modules Russia LLC (held by SMRC Automotive Holdings Netherlands B.V.)*	Russia	100%	-	0%	-	March 31, 2019
154	SMRC Smart Interior Systems Germany GmbH (held by SMRC Automotive Holdings Netherlands B.V.)*	Germany	100%	-	0%	-	March 31, 2019
155	Reydel Automotive poland SA (held by SMRC Automotive Holdings Netherlands B.V.)*	Poland	100%	-	0%	-	March 31, 2019
156	SMRC Automotive Solutions Slovakia s.r.o. (held by SMRC Automotive Holdings Netherlands B.V.)*	Slovakia	100%	-	0%	-	March 31, 2019
157	SMRC Automotive Holding South America B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	-	0%	-	March 31, 2019

S. No.	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, 2019	March 31, 2018	March 31, 2019	March 31, 2018	
158	SMRC Automotive Modules South America Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	-	0%	-	March 31, 2019
159	Reydel Automotive Argentina SA (jointly held by SMRC Automotive Holding South America B.V. & SMRC Automotive Modules South America Minority Holdings B.V.)*	Argentina	100%	-	0%	-	March 31, 2019
160	Reydel Automotive Brazil Industria e Comercio de Sistemas Automotivos Ltda (held by SMRC Automotive Holding South America B.V.)*	Brazil	100%	-	0%	-	March 31, 2019
161	SMRC Automotive Products India Private Limited (held by SMRC Automotive Holdings Netherlands B.V.)*	India	100%	-	0%	-	March 31, 2019
162	SMRC Automotive Smart Interior Tech Thailand Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	Thailand	100%	-	0%	-	March 31, 2019
163	SMRC Automotive Interiors Japan Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	Japan	100%	-	0%	-	March 31, 2019
164	Shanghai Reydel Automotive Technology Consulting Co. Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	China	100%	-	0%	-	March 31, 2019
165	PT SMRC Automotive Technology Indonesia (jointly held by SMRC Automotive Holdings Netherlands B.V. & SMRC Automotives Techno Minority Holdings B.V.)*	Indonesia	100%	-	0%	-	March 31, 2019
166	Yujin-SMRC Automotive Modules Corp. (held by SMRC Automotive Holdings Netherlands B.V.)*	South Korea	50.9%	-	0%	-	March 31, 2019
167	Reydel Automotive Phils Inc. (held by SMRC Automotive Holdings Netherlands B.V.)*	Philippines	100%	-	0%	-	March 31, 2019
168	Motherson Rolling Stock Systems GB Limited (held by Kabel Technik Polska Sp. z o.o.)(incorporated on February 01, 2019) *	UK	100%	-	0%	-	March 31, 2019
169	MSSL M Tooling Ltd	Mauritius	100%	-	0%	-	March 31, 2019
170	Motherson Osia Innovation llc.	USA	51%	-	0%	-	March 31, 2019

1. During the year ended March 31, 2018 the group has acquired remaining shares of Global Environment Management (FZC) and converted into wholly owned subsidiary.

* Acquired on August 02, 2018 (Refer Note 50)

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.

Summarised balance sheet	Samvardhana Motherson Automotive Systems Group B.V.	
	March 31, 2019	March 31, 2018
Current assets	130,860	102,850
Current liabilities	130,782	100,435
Net current assets	**78**	**2,415**
Non-current assets	151,412	122,133
Non-current liabilities	89,981	71,797
Net non-current assets	**61,431**	**50,336**
Net Assets	**61,509**	**52,751**
Accumulated Non controlling Interest	**31,156**	**26,082**

Summarised statement of profit and loss	Samvardhana Motherson Automotive Systems Group B.V.	
	March 31, 2019	March 31, 2018
Revenue	434,378	382,485
Profit for the year	7,529	10,564
Other comprehensive income	444	2,769
Total comprehensive income	**7,973**	**13,333**
Profit allocated to non controlling interest	4,566	6,146
Dividend paid to NCI	1,413	1,268

Summarised cash flows	Samvardhana Motherson Automotive Systems Group B.V.	
	March 31, 2019	March 31, 2018
Cash flows from operating activities	23,295	20,607
Cash flows from investing activities	(27,189)	(28,877)
Cash flows from financing activities	11,030	(14,541)
Net increase / (decrease) in cash and cash equivalents	**7,136**	**(22,811)**

C. Transactions with non-controlling interests

March 31, 2018:

During previous year, one of the Group's subsidiary MSSL GMBH bought back all shares held by minority shareholder against a consideration of ₹ 5 million (EUR 0.06 million), the carrying value of non-controlling interest was ₹ (10) million (Eur (0.12) million) as on the date of buy back resulting in ₹ 15 million (EUR 0.18 million) as excess consideration paid over carrying value. This being transactions with owners, excess consideration amounting to ₹ 15 million has been adjusted under other equity whereas remaining

₹ 10 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 MSSL GmbH.

	March 31, 2018
Carrying amount of non-controlling interests acquired	(10)
Consideration paid to non-controlling interests	5
Excess of consideration paid recognised in retained earnings within equity	15

D. Interest in associates companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2019	Quoted fair value		carrying amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
SAKS Ancillaries Limited	India	40.01%	-*	-*	42	38
Re time Pty Limited (held by SMR)	Australia	35%	-*	-*	7	6
Hubei Zhengao PKC Automotive Wiring Company Ltd. (held by PKC)	China	40%	-*	-*	842	649

* 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, 2019	Quoted fair value		Carrying amount	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Kyungshin Industrial Motherson Limited	India	50%	-*	-*	1,987	1,847
Calsonic Kansei Motherson Auto Products Private Limited	India	49%	-*	-*	683	636
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. (through SMR) (Includes Chongqing SMR Huaxiang Automotive Products Limited & Tianjin SMR Huaxiang Automotive Part Co. Limited)[1]	China	50%	-*	-*	2,187	1,832
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	Slovakia	49%	-*	-*	408	432

* Unlisted entity - no quoted price available

[1] Chongqing SMR Huaxiang Automotive Products Limited is 100% subsidiary of Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. and Tianjin SMR Huaxiang Automotive Part Co. Limited is 100% subsidiary of Chongqing SMR Huaxiang Automotive Products Limited.

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, 2019				
Current assets				
Cash and cash equivalents	7	283	1,092	2
Other assets	5,431	1,403	4,926	605
Total current assets	**5,438**	**1,686**	**6,018**	**607**
Total non-current assets	931	1,223	2,648	876
Current liabilities				
Financial liabilities (excluding trade payables)	41	404	-	-
Other liabilities	2,305	738	4,242	620
Total current liabilities	**2,346**	**1,142**	**4,242**	**620**
Total non-current liabilities	50	373	3	41
Consol adjustments and currency translation adjustment	-	-	(48)	11
Net assets	**3,973**	**1,394**	**4,373**	**833**

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, 2019				
Opening net assets	3,694	1,298	3,664	881
Profit for the year	692	97	1,170	(31)
Other comprehensive income	2	(1)	-	-
Exchange gain / (loss)	-	-	(64)	(17)
Dividend paid	(415)	-	(397)	-
Closing net assets	**3,973**	**1,394**	**4,373**	**833**
Group's share in %	50%	49%	50%	49%
Group's share in ₹	1,987	683	2,187	408
Carrying amount	**1,987**	**683**	**2,187**	**408**

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, 2018				
Current assets				
Cash and cash equivalents	52	229	1,669	2
Other assets	5,105	1,469	6,172	453
Total current assets	**5,157**	**1,698**	**7,841**	**455**
Total non-current assets	447	1,453	2,138	844
Current liabilities				
Financial liabilities (excluding trade payables)	31	397	-	-
Other liabilities	1,831	816	6,329	401
Total current liabilities	**1,862**	**1,213**	**6,329**	**401**
Total non-current liabilities	48	640	13	17
Consol adjustments	-	-	27	-
Net assets	**3,694**	**1,298**	**3,664**	**881**

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, 2018				
Opening net assets	3,371	1,038	2,830	719
Profit for the year	846	260	1,507	42
Other comprehensive income	(5)	-	-	-
Exchange gain / (loss)	-	-	29	120
Dividend paid	(518)	-	(702)	-
Closing net assets	**3,694**	**1,298**	**3,664**	**881**
Group's share in %	50%	49%	50%	49%
Group's share in ₹	1,847	636	1,832	432
Carrying amount	**1,847**	**636**	**1,832**	**432**

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, 2019				
Revenue	13,834	4,255	13,092	3,479
Interest income	157	24	12	-
Depreciation and amortisation	56	276	395	149
Interest expense	3	67	(1)	0
Income tax expense	368	60	170	-
Profit from continuing operation	692	97	1,170	(31)
Other comprehensive income	2	(2)	-	-
Total comprehensive income	**694**	**95**	**1,170**	**(31)**

	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, 2018				
Revenue	12,937	4,401	14,440	3,462
Interest income	143	6	6	-
Depreciation and amortisation	62	273	354	131
Interest expense	6	115	0	0
Income tax expense	462	(57)	267	31
Profit from continuing operation	846	260	1,507	42
Other comprehensive income	(5)	1	-	-
Total comprehensive income	**841**	**261**	**1,507**	**42**

G. Summarised financial information of Associate

The table below provide summarised financial information for associate that is material to the group.

Summarised balance sheet	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2019	
Current assets	3,144
Non-current assets	301
Total assets	**3,445**

Summarised balance sheet	Hubei Zhengao PKC Automotive Wiring Company Ltd.
Non-current liabilities	-
Current liabilities	1,353
Total liabilities	**1,353**
Net assets	**2,092**
Group Share	40%

Reconciliation to carrying amounts:

	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2019	
Opening net assets	649
Profit for the year	161
Exchange gain / (loss)	32
Carrying amount	**842**

Summarised balance sheet	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2018	
Current assets	3,181
Non-current assets	302
Total assets	**3,483**
Current liabilities	1,773
Total liabilities	**1,773**
Net assets	**1,710**
Group Share	40%

Reconciliation to carrying amounts:

	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2018	
Opening net assets	-
Investment during the year	588
Profit for the year	56
Exchange gain / (loss)	5
Carrying amount	**649**

H. 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, 2019	March 31, 2018
Aggregate carrying amount of individually immaterial associates	49	44
Aggregate amounts of the group's share of:		
Profit / (loss) from continuing operations	6	(0)

I. Commitments and contingent liabilities in respect of associates and joint ventures

	March 31, 2019	March 31, 2018
Share of joint venture's contingent liabilities in respect of:		
Excise matters	2	2
Income tax matters	-	2
Unfulfilled export commitments under EPCG Scheme	108	108
Others	13	13
Commitments - joint ventures		
Share of joint venture's estimated value of contracts in capital account remaining to be executed, (Net of Advances)	112	22

49 Additional information required by Schedule III

March 31, 2019:

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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	45	64,381	39	8,137	30	(56)	39	8,082
Subsidiaries:								
Indian:								
Samvardhana Motherson Polymers Limited	0*	525	(0)*	(1)	-	-	(0)*	(1)
MSSL Automobile Component Limited	0*	0	(0)*	(0)	-	-	(0)*	(0)
Motherson Polymers Compounding Solution Limited	0*	13	0*	7	0*	(0)	0*	7
Foreign:								
Samvardhana Motherson Reflectec Group Holdings Limited	12	16,826	12	2,475	-	-	12	2,475
SMR Automotive Technology Holding, Cyprus ltd.	4	5,450	3	641	-	-	3	641
SMR Automotive Brasil LTDA.	1	931	0*	80	510	(934)	(4)	(854)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
SMR Automotive Mirror Technology Holding Hungary KFT	2	2,431	4	833	344	(630)	1	203
SMR Holding Australia Pty Limited	1	1,621	4	764	(181)	332	5	1,096
SMR Automotive Australia Pty Limited	1	1,140	3	682	52	(95)	3	587
SMR Automotive Mirror Technology, Hungary BT	1	1,268	(12)	(2,603)	(29)	54	(12)	(2,549)
SMR Automotive Systems, France S.A.	0*	120	(3)	(731)	23	(42)	(4)	(772)
SMR Automotive Systems India ltd.	2	2,604	2	512	123	(226)	1	286
SMR Automotive System (Thailand) Limited	0*	504	0*	9	(54)	98	1	107
SMR Automotive Mirror Parts and Holdings, UK ltd.	8	11,084	12	2,579	6	(12)	12	2,568
SMR Patents S.à.r.l.	(0)*	(208)	(1)	(214)	-	-	(1)	(214)
SMR Automotive Technology Valencia S.A.U.	0*	180	0*	5	-	-	0*	5
SMR Automotive Mirrors UK Limited	0*	539	1	282	-	-	1	282
SMR Automotive Mirror Systems Holding Deutschland GmbH	1	2,057	8	1,628	-	-	8	1,628
SMR Hyosang Automotive Ltd.	1	1,876	2	323	(78)	142	2	465
SMR Automotive Modules Korea Ltd.	3	3,667	1	133	59	(108)	0*	25
SMR Automotive Beteiligungen Deutschland GmbH	0*	148	(0)*	(53)	-	-	(0)*	(53)
SMR Automotive Systems Spain S.A.U.	0*	616	3	597	-	-	3	597
SMR Automotive Servicios Mexico S.A. de C.V.	0*	48	(0)*	(0)	8	(15)	(0)*	(15)
SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,848	3	643	(127)	233	4	876
SMR Automotive Mirror Stuttgart GmbH	0*	432	(3)	(539)	45	(82)	(3)	(621)
SMR Grundbesitz GmbH & Co. KG	0*	212	(0)*	(23)	-	-	(0)*	(23)
SMR Mirror UK Limited	1	1,389	5	1,052	-	-	5	1,052
SMR Automotive Systems USA Inc.	4	5,162	20	4,246	(506)	926	25	5,171

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
SMR Automotive Mirror International USA Inc.	10	14,588	24	5,034	(312)	570	27	5,604
SMR Automotive Vision System Operations USA INC	4	6,449	10	2,137	(452)	827	14	2,964
SMR Automotive Beijing Company Limited	0*	369	0*	6	(84)	153	1	159
SMR Automotive Yancheng Co. Limited	0*	706	(0)*	(19)	(85)	155	1	136
SMR Automotive Holding Hong Kong Limited	0*	441	(0)*	(1)	-	-	(0)*	(1)
SMR Automotive Operations Japan k.k.	0*	70	0*	10	(1)	2	0*	12
SMR Automotive (Langfang) Co. Limited	(0)*	(14)	(0)*	(23)	(37)	68	0*	46
SMR Automotives Systems Macedonia Dooel Skopje	(0)*	(13)	0*	0	-	-	0*	0
SMR Automotive Industries RUS Limited Liability Company	0*	20	0*	0	3	(5)	(0)*	(4)
Samvardhana Motherson Peguform GmbH	(1)	(1,336)	(8)	(1,746)	-	-	(8)	(1,746)
SMP Automotive Exterior GmbH	1	1,546	(1)	(220)	-	-	(1)	(220)
SMP Deutschland GmbH	11	15,500	29	5,998	22	(40)	29	5,958
SMP Logistik Service GmbH	0*	44	0*	1	-	-	0*	1
SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,289)	(0)*	(1)	-	-	(0)*	(1)
Changchun Peguform Automotive Plastics Technology Ltd.	6	8,310	13	2,687	-	-	13	2,687
Foshan Peguform Automotive Plastics Technology Co. Ltd.	0*	278	0*	65	-	-	0*	65
Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	129	(0)*	(78)	-	-	(0)*	(78)
SMP Automotive Technology Management Services (Changchun) Co. Ltd.	(0)*	(33)	0*	2	-	-	0*	2
SMP Automotive Interiors (Beijing) Co. Ltd.	1	977	3	575	-	-	3	575
SMP Automotive Technology Iberica S.L.	4	5,421	3	574	-	-	3	574
SMP Automotive Technologies Teruel Sociedad Limitada	0*	209	1	111	-	-	1	111

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
Samvardhana Motherson Peguform Barcelona S.L.U	0*	389	2	355	-	-	2	355
SMP Automotive Produtos Automotivos do Brasil Ltda	(1)	(1,261)	(8)	(1,662)	-	-	(8)	(1,662)
SMP Automotive Systems México, S. A. de C. V.	4	5,351	6	1,297	(434)	795	10	2,092
Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	0*	553	2	422	-	-	2	422
Celulosa Fabril (Cefa) S.A.	2	2,476	3	734	-	-	4	734
Modulos Ribera Alta S.L. Unipersonal	2	2,570	2	505	-	-	2	505
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	2	3,145	(3)	(733)	-	-	(4)	(733)
Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	7	0*	0	-	-	0*	0
Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	0*	701	0*	87	-	-	0*	87
SM Real Estate GmbH	0*	118	0*	40	-	-	0*	40
Motherson Innovations Lights GmbH & Co. KG	0*	77	(0)*	(27)	-	-	(0)*	(27)
Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	-	-	0*	0
SMP Automotive Systems Alabama Inc.	(1)	(744)	(32)	(6,701)	-	-	(32)	(6,701)
Tianjin SMP Automotive Components Co. Ltd.	0*	177	(1)	(134)	-	-	(1)	(134)
SMRC Automotive Interiors Management B.V.	0*	10	4	750	-	-	4	750
SMRC Automotive Holdings B.V.	1	1,029	24	5,006	-	-	24	5,006
SMRC Automotive Holdings Netherlands B.V.	4	6,184	9	1,866	-	-	9	1,866
SMRC Automotives Techno Minority Holdings B.V.	0*	44	0*	7	-	-	0*	7
SMRC Smart Automotive Interior Technologies USA, LLC	-	-	-	-	-	-	-	-
SMRC Automotive Modules France SAS	1	998	1	168	0*	(0)	1	167

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
Reydel Automotive Holding Spain, S.L.U.	0*	639	0*	5	-	-	0*	5
SMRC Automotive Interiors Spain S.L.U.	2	2,335	3	589	(0)*	0	3	589
Reydel Automotive Croatia d.o.o.	0*	8	0*	1	-	-	0*	1
Reydel Automotive Morocco SAS	0*	338	0*	15	-	-	0*	15
SMRC Automotive Modules Russia LLC	0*	222	0*	5	-	-	0*	5
SMRC Smart Interior Systems Germany GmbH	0*	57	0*	1	10	(17)	(0)*	(16)
Reydel Automotive poland SA	0*	104	(0)*	(4)	-	-	(0)*	(4)
SMRC Automotive Solutions Slovakia s.r.o.	1	747	(0)*	(4)	0*	(0)	(0)*	(5)
SMRC Automotive Holding South America B.V.	0*	308	(0)*	(25)	-	-	(0)*	(25)
SMRC Automotive Modules South America Minority Holdings B.V.	0*	29	(0)*	(1)	-	-	(0)*	(1)
Reydel Automotive Argentina SA	0*	542	(0)*	(39)	-	-	(0)*	(39)
Reydel Automotive Brazil Industria e Comercio de Sistemas Automotivos Ltda	0*	708	0*	70	-	-	0*	70
SMRC Automotive Products India Private Limited	1	1,615	1	112	-	-	1	112
SMRC Automotive Smart Interior Tech Thailand Ltd.	1	730	1	171	(4)	7	1	178
SMRC Automotive Interiors Japan Ltd.	(0)*	(0)	(0)*	(10)	1	(1)	(0)*	(11)
Shanghai Reydel Automotive Technology Consulting Co. Ltd.	0*	12	0*	2	-	-	0*	2
PT SMRC Automotive Technology Indonesia	(0)*	(60)	(0)*	(4)	-	-	(0)*	(4)
Yujin-SMRC Automotive Modules Corp.	1	1,463	0*	60	(8)	15	0*	75
Reydel Automotive Phils Inc.	(0)*	(4)	(0)*	(24)	-	-	(0)*	(24)
PKC Group Ltd	6	9,268	(1)	(225)	-	-	(1)	(225)
PKC Nederland Holding B.V	1	931	(0)*	(36)	-	-	(0)*	(36)
PK Cables Nederland B.V.	0*	5	(0)*	(0)	-	-	(0)*	(0)
PKC Wiring Systems Oy	5	7,845	15	3,209	-	-	15	3,209
PKC Group Poland Sp. z o.o.	(0)*	(396)	(1)	(291)	-	-	(1)	(291)
PKC SEGU Systemelektrik GmbH	(0)*	(255)	(0)*	(60)	-	-	(0)*	(60)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
PKC Wiring Systems Llc	0*	482	0*	57	-	-	0*	57
PKC Eesti AS	8	12,173	7	1,499	-	-	7	1,499
TKV-Sarjat Oy	0*	6	(0)*	(1)	-	-	(0)*	(1)
OOO AEK	0*	487	1	206	-	-	1	206
PKC Group Lithuania UAB	0*	334	1	128	-	-	1	128
PK Cables do Brasil Ltda	1	990	(0)*	(5)	-	-	(0)*	(5)
PKC Group Canada Inc.	0*	297	0*	8	-	-	0*	8
PKC Group Mexico S.A. de C.V.	0*	142	-	-	-	-	-	-
Project Del Holding S.à.r.l.	1	1,267	3	559	-	-	3	559
AEES Manufacturera, S. De R.L. de C.V	1	738	0*	99	-	-	0*	99
Arneses de Ciudad Juarez, S. de R.L. de C.V.	0*	38	0*	11	-	-	0*	11
Arneses y Accesorios de México, S. de R.L. de C.V.	0*	29	1	157	-	-	1	157
Cableados del Norte II, S. de R.L. de C.V.	0*	204	0*	52	-	-	0*	52
Asesoria Mexicana Empresarial, S. de R.L. de C.V.	0*	104	0*	15	-	-	0*	15
Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	0*	3	(0)*	(0)	-	-	(0)*	(0)
PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	50	0*	27	-	-	0*	27
PKC Group AEES Commercial, S. de R.L. de C.V.	0*	23	0*	1	-	-	0*	1
PKC Group USA Inc.	(8)	(11,122)	(5)	(1,017)	-	-	(5)	(1,017)
AEES Inc.	7	9,437	13	2,722	-	-	13	2,722
AEES Power Systems Limited Partnership	1	1,770	1	227	-	-	1	227
Fortitude Industries Inc. (dba ATM)	1	826	0*	47	-	-	0*	47
PKC Vehicle Technology (Hefei) Co., Ltd.	1	827	(0)*	(48)	-	-	(0)*	(48)
PKC Vehicle technology (Suzhou) Co. Ltd	(0)*	(637)	(1)	(155)	-	-	(1)	(155)
Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	3,776	3	594	-	-	3	594
Shandong Huakai-PKC Wire Harness Co. Ltd	0*	510	0*	12	-	-	0*	12
PKC Group APAC Ltd.	(1)	(1,634)	(1)	(178)	-	-	(1)	(178)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
Kabel Technik Polska Sp. z o.o.	1	871	(0)*	(79)	-	-	(0)*	(79)
PKC Group Poland Holding Sp. z o.o.	1	745	(0)*	(23)	-	-	(0)*	(23)
Groclin Luxembourg S.à r.l.	1	1,736	(0)*	(2)	-	-	(0)*	(2)
Motherson Rolling Stock Systems GB Limited	0*	270	-	-	-	-	-	-
MSSL Mideast (FZE)	17	24,303	4	767	-	-	4	767
MSSL GB Limited	21	30,805	5	1,126	-	-	5	1,126
MSSL Mauritius Holdings Limited	3	4,525	3	560	-	-	3	560
Samvardhana Motherson Global Holdings Limited Cyprus	48	68,987	(0)*	(53)	-	-	(0)*	(53)
MSSL (S) Pte Limited	1	1,077	1	162	-	-	1	162
Motherson Electrical Wires Lanka Private Limited	0*	548	2	365	(0)*	1	2	366
MSSL Consolidated Inc. USA	1	995	(1)	(107)	-	-	(1)	(107)
MSSL Wiring Systems Inc	3	3,995	7	1,531	3	(6)	7	1,526
Alphabet De Mexico S.A. de C.V	0*	133	0*	78	-	-	0*	78
Alphabet De Saltillo S.A. de C.V.	0*	63	0*	55	-	-	0*	55
Alphabet De Mexico de Monclova S.A. de C.V	0*	75	0*	66	-	-	0*	66
MSSL Wirings Juarez S.A. de C.V.	0*	2	0*	2	-	-	0*	2
MSSL Japan Limited	0*	51	(0)*	(40)	-	-	(0)*	(40)
MSSL Mexico S.A. De C.V.	0*	541	0*	77	2	(4)	0*	73
MSSL WH System (Thailand) Co. Ltd.	0*	254	1	111	-	-	1	111
MSSL Korea WH Limited	(0)*	(7)	(0)*	(3)	-	-	(0)*	(3)
MSSL Ireland Private Limited	0*	28	0*	0	-	-	0*	0
MSSL s.r.l. Unipersonale	0*	10	0*	3	-	-	0*	3
MSSL Estonia WH OÜ	(0)*	(154)	1	141	-	-	1	141
MSSL Australia Pty Limited	0*	164	0*	76	-	-	0*	76
Motherson Elastomers Pty Limited	0*	390	0*	99	-	-	0*	99
Motherson Investments Pty Limited	0*	9	0*	5	-	-	0*	5
MSSL Global RSA Module Engineering Limited"	1	1,367	4	792	-	-	4	792
Vacuform 2000 (Proprietary) Limited"	0*	36	0*	13	-	-	0*	13
MSSL GMBH	1	1,039	(0)*	(72)	-	-	(0)*	(72)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
Samvardhana Motherson Invest Deutschland GmbH	0*	70	0*	0	-	-	0*	0
MSSL Advanced Polymers s.r.o.	0*	439	(0)*	(87)	-	-	(0)*	(87)
Motherson Techno Precision GmbH	0*	74	0*	1	-	-	0*	1
Samvardhana Motherson Polymers Management Germany GMBH	0*	2	(0)*	(0)	-	-	(0)*	(0)
Motherson Techno Precision México, S.A. de C.V	(0)*	(138)	0*	36	-	-	0*	36
MSSL Manufacturing Hungary Kft	0*	34	(0)*	(96)	-	-	(0)*	(96)
Motherson Air Travel Pvt Ltd	(0)*	(283)	(1)	(181)	-	-	(1)	(181)
MSSL Tooling (FZE)	1	1,090	1	273	-	-	1	273
Motherson Wiring System (FZE)	(0)*	(114)	0*	4	-	-	0*	4
Global Environment Management (FZC)	(0)*	(71)	0*	1	-	-	0*	1
Global Environment Management Australia Pty Limited (liquidated on April 20, 2018)	-	-	-	-	-	-	-	-
Samvardhana Motherson Global (FZE)	0*	118	0*	95	(1)	1	0*	96
Motherson Innovations Company Limited	1	1,262	(4)	(839)	-	-	(4)	(839)
Motherson Innovations Deutschland GmbH	0*	36	0*	8	-	-	0*	8
Motherson Innovations LLC	-	-	-	-	-	-	-	-
Samvardhana Motherson Corp Management Shanghai Co.,Ltd	0*	77	(0)*	(4)	(2)	3	(0)*	(1)
Samvardhana Motherson Automotive Systems Group B.V.	58	84,458	42	8,818	166	(303)	41	8,515
MSSL M Tooling Ltd	-	-	-	-	-	-	-	-
Motherson Osia Innovation llc.	-	-	-	-	-	-	-	-
Associates (Investment as per Equity method)								
Indian:								
SAKS Ancillaries Limited	0*	42	0*	4	-	-	0*	4
Foreign:								
Hubei Zhengao PKC Automotive Wiring Company Ltd.	1	842	1	161	-	-	1	161

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
Re time Pty Limited	0*	7	0*	2	-	-	0*	2
Joint Ventures (Investment as per Equity method)								
Indian:								
Kyungshin Industrial Motherson Limited	1	1,988	2	346	(1)	1	2	347
Calsonic Kansei Motherson Auto Products Private Limited	0*	625	0*	47	0*	(1)	0*	47
Foreign:								
Eissmann SMP Automotive Interieur Slovensko s.r.o	0*	415	(0)*	(15)	-	-	(0)*	(15)
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	2	3,441	2	518	-	-	2	518
Chongqing SMR Huaxiang Automotive Products	1	1,032	0*	67	-	-	0*	67
Tianjin SMR Huaxiang Automotive Part Co. Limited	0*	41	0*	0	-	-	0*	0
Minority Interest in All Subsidiaries	(24)	(34,797)	(23)	(4,850)	93	(170)	(24)	(5,020)

March 31, 2018:

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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	48	61,802	39	8,791	(1)	(41)	30	8,750
Subsidiaries:								
Indian:								
Samvardhana Motherson Polymers Limited	0*	526	(0)*	(2)	-	-	(0)*	(2)
MSSL Automobile Component Limited	0*	0	(0)*	(0)	-	-	(0)*	(0)
Motherson Polymers Compounding Solution Limited	0*	7	(0)*	(8)	(0)*	(0)	(0)*	(9)
Foreign:								
Samvardhana Motherson Reflectec Group Holdings Limited	12	14,962	12	2,674	-	-	9	2,674

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
SMR Automotive Technology Holding, Cyprus ltd.	6	7,185	4	799	-	-	3	799
SMR Automotive Brasil LTDA.	1	957	1	170	-	-	1	170
SMR Automotive Mirror Technology Holding Hungary KFT	2	2,399	4	933	-	-	3	933
SMR Holding Australia Pty Limited	1	1,705	4	930	-	-	3	930
SMR Automotive Australia Pty Limited	1	1,243	3	653	-	-	2	653
SMR Automotive Mirror Technology, Hungary BT	3	3,662	(0)*	(58)	(0)*	(16)	(0)*	(74)
SMR Automotive Systems, France S.A.	(1)	(676)	(3)	(649)	(0)*	(6)	(2)	(654)
SMR Automotive Systems India ltd.	2	2,175	3	586	0*	5	2	590
SMR Automotive System (Thailand) Limited	0*	481	(0)*	(30)	(0)*	(2)	(0)*	(32)
SMR Automotive Mirror Parts and Holdings, UK ltd.	8	10,621	6	1,443	-	-	5	1,443
SMR Patents S.à.r.l.	(0)*	(3)	0*	1	-	-	0*	1
SMR Automotive Technology Valencia S.A.U.	0*	181	(0)*	(8)	-	-	(0)*	(8)
SMR Automotive Mirrors UK Limited	0*	398	1	266	-	-	1	266
SMR Automotive Mirror Systems Holding Deutschland GmbH	1	1,529	5	1,181	-	-	4	1,181
SMR Hyosang Automotive Ltd.	1	1,580	0*	98	(0)*	(1)	0*	97
SMR Automotive Modules Korea Ltd.	3	3,773	2	559	(0)*	(6)	2	553
SMR Automotive Beteiligungen Deutschland GmbH	0*	206	0*	47	-	-	0*	47
SMR Automotive Systems Spain S.A.U.	0*	523	3	634	-	-	2	634
SMR Automotive Servicios Mexico S.A. de C.V.	0*	48	(0)*	(0)	-	-	(0)*	(0)
SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,135	2	523	0*	19	2	543
SMR Automotive Mirror Stuttgart GmbH	1	976	2	412	(0)*	(3)	1	409

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
SMR Grundbesitz GmbH & Co. KG	0*	354	0*	29	-	-	0*	29
SMR Mirror UK Limited	2	2,336	6	1,346	-	-	5	1,346
SMR Automotive Systems USA Inc.	4	5,335	17	3,820	-	-	13	3,820
SMR Automotive Mirror International USA Inc.	9	11,472	14	3,266	-	-	11	3,266
SMR Automotive Vision System Operations USA INC	3	4,075	1	190	-	-	1	190
SMR Automotive Beijing Company Limited	0*	366	0*	3	-	-	0*	3
SMR Automotive Yancheng Co. Limited	1	731	(0)*	(38)	-	-	(0)*	(38)
SMR Automotive Holding Hong Kong Limited	0*	203	(0)*	(1)	-	-	(0)*	(1)
SMR Automotive Operations Japan k.k.	0*	61	0*	10	-	-	0*	10
SMR Automotive (Langfang) Co. Limited	0*	8	(1)	(190)	-	-	(1)	(190)
SMR Automotives Systems Macedonia Dooel Skopje	(0)*	(14)	0*	1	-	-	0*	1
SMR Automotive Industries RUS Limited Liability Company	0*	20	(0)*	(6)	-	-	(0)*	(6)
Samvardhana Motherson Peguform GmbH	(1)	(967)	(6)	(1,268)	-	-	(4)	(1,268)
SMP Automotive Exterior GmbH	0*	352	(4)	(931)	-	-	(3)	(931)
SMP Deutschland GmbH	10	12,631	28	6,294	-	-	21	6,294
SMP Logistik Service GmbH	0*	45	0*	2	-	-	0*	2
SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,427)	(0)*	(102)	-	-	(0)*	(102)
Changchun Peguform Automotive Plastics Technology Ltd.	6	7,788	12	2,801	-	-	10	2,801
Foshan Peguform Automotive Plastics Technology Co. Ltd.	0*	211	(0)*	(3)	-	-	(0)*	(3)
Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	62	-	-	-	-	-	-
SMP Automotive Technology Management Services (Changchun) Co. Ltd.	(0)*	(35)	(0)*	(20)	-	-	(0)*	(20)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
SMP Automotive Interiors (Beijing) Co. Ltd.	0*	399	2	356	-	-	1	356
SMP Automotive Technology Iberica S.L.	3	3,645	1	170	-	-	1	170
SMP Automotive Technologies Teruel Sociedad Limitada	0*	226	0*	99	-	-	0*	99
Samvardhana Motherson Peguform Barcelona S.L.U	0*	452	2	346	-	-	1	346
SMP Automotive Produtos Automotivos do Brasil Ltda	(1)	(1,523)	(8)	(1,791)	-	-	(6)	(1,791)
SMP Automotive Systems México, S. A. de C. V.	3	3,835	4	1,004	1	88	4	1,092
Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	0*	355	1	197	-	-	1	197
Celulosa Fabril (Cefa) S.A.	2	2,178	3	675	-	-	2	675
Modulos Ribera Alta S.L. Unipersonal	2	2,147	2	377	-	-	1	377
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	3	3,712	2	459	-	-	2	459
Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	7	0*	0	-	-	0*	0
Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	1	665	0*	112	-	-	0*	112
SM Real Estate GmbH	0*	102	0*	39	-	-	0*	39
Motherson Innovations Lights GmbH & Co. KG	0*	10	0*	2	-	-	0*	2
Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	-	-	0*	0
SMP Automotive Systems Alabama Inc.	(2)	(3,057)	(10)	(2,235)	0*	22	(8)	(2,213)
PKC Group Ltd	9	11,173	(0)*	(30)	-	-	(0)*	(30)
PKC Nederland Holding B.V	1	1,000	1	199	-	-	1	199
PK Cables Nederland B.V.	0*	5	0*	0	-	-	0*	0
PKC Wiring Systems Oy	4	4,937	(7)	(1,495)	-	-	(5)	(1,495)
PKC Group Poland Sp. z o.o.	(0)*	(125)	(2)	(440)	-	-	(2)	(440)
PKC SEGU Systemelektrik GmbH	(0)*	(205)	(1)	(145)	-	-	(0)*	(145)
PKC Wiring Systems Llc	0*	441	(0)*	(96)	-	-	(0)*	(96)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
PKC Eesti AS	9	11,114	5	1,231	-	-	4	1,231
TKV-Sarjat Oy	0*	7	(0)*	(1)	-	-	(0)*	(1)
OOO AEK	0*	307	0*	75	-	-	0*	75
PKC Group Lithuania UAB	0*	219	(0)*	(33)	-	-	(0)*	(33)
PK Cables do Brasil Ltda	1	1,122	(0)*	(43)	-	-	(0)*	(43)
PKC Group Canada Inc.	0*	375	0*	10	-	-	0*	10
PKC Group Mexico S.A. de C.V.	0*	144	(0)*	(2)	-	-	(0)*	(2)
Project Del Holding S.à.r.l.	1	1,313	0*	81	-	-	0*	81
AEES Manufacturera, S. De R.L. de C.V	1	843	0*	89	-	-	0*	89
Arneses de Ciudad Juarez, S. de R.L. de C.V.	0*	32	0*	11	-	-	0*	11
Arneses y Accesorios de México, S. de R.L. de C.V.	0*	301	1	120	-	-	0*	120
Cableados del Norte II, S. de R.L. de C.V.	0*	159	0*	47	-	-	0*	47
Asesoria Mexicana Empresarial, S. de R.L. de C.V.	0*	91	0*	9	-	-	0*	9
Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	0*	3	(0)*	(0)	-	-	(0)*	(0)
PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	33	0*	19	-	-	0*	19
PKC Group AEES Commercial, S. de R.L. de C.V.	0*	21	0*	9	-	-	0*	9
PKC Group USA Inc.	(7)	(9,532)	(4)	(869)	-	-	(3)	(869)
AEES Inc.	5	6,364	7	1,486	-	-	5	1,486
AEES Power Systems Limited Partnership	1	1,457	1	165	-	-	1	165
Fortitude Industries Inc. (dba ATM)	1	735	0*	113	-	-	0*	113
PKC Vehicle Technology (Hefei) Co., Ltd.	0*	572	(1)	(135)	-	-	(0)*	(135)
PKC Vehicle technology (Suzhou) Co. Ltd	(0)*	(489)	(1)	(196)	-	-	(1)	(196)
Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	3,440	4	890	-	-	3	890
Shandong Huakai-PKC Wire Harness Co. Ltd	0*	150	(0)*	(63)	-	-	(0)*	(63)
PKC Group APAC Ltd.	(1)	(1,373)	(1)	(228)	-	-	(1)	(228)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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
Kabel Technik Polska Sp. z o.o.	1	1,000	0*	54	-	-	0*	54
PKC Group Poland Holding Sp. z o.o.	1	811	(0)*	(12)	-	-	(0)*	(12)
Groclin Luxembourg S.à r.l.	1	1,799	(0)*	(2)	-	-	(0)*	(2)
MSSL Mideast (FZE)	20	25,083	2	493	-	-	2	493
MSSL GB Limited	23	30,103	2	405	-	-	1	405
MSSL Mauritius Holdings Limited	3	4,128	2	468	-	-	2	468
Samvardhana Motherson Global Holdings Limited Cyprus	56	71,468	0*	21	-	-	0*	21
MSSL (S) Pte Limited	1	893	(0)*	(3)	-	-	(0)*	(3)
Motherson Electrical Wires Lanka Private Limited	0*	468	1	180	(0)*	(0)	1	180
MSSL Consolidated Inc. USA	1	1,689	(0)*	(76)	-	-	(0)*	(76)
MSSL Wiring Systems Inc	2	2,995	4	819	1	61	3	880
Alphabet De Mexico S.A. de C.V	0*	392	0*	71	-	-	0*	71
Alphabet De Saltillo S.A. de C.V.	0*	160	0*	29	-	-	0*	29
Alphabet De Mexico de Monclova S.A. de C.V	0*	195	0*	43	-	-	0*	43
MSSL Wirings Juarez S.A. de C.V.	0*	5	0*	2	-	-	0*	2
MSSL Japan Limited	0*	89	(0)*	(22)	-	-	(0)*	(22)
MSSL Mexico S.A. De C.V.	0*	442	0*	68	0*	4	0*	73
MSSL WH System (Thailand) Co. Ltd.	0*	136	0*	88	-	-	0*	88
MSSL Korea WH Limited	(0)*	(4)	0*	3	-	-	0*	3
MSSL Ireland Private Limited	0*	28	0*	2	-	-	0*	2
MSSL s.r.l. Unipersonale	0*	8	0*	3	-	-	0*	3
MSSL Estonia WH OÜ	(0)*	(299)	3	739	-	-	3	739
MSSL Australia Pty Limited	0*	229	0*	8	-	-	0*	8
Motherson Elastomers Pty Limited	0*	365	0*	93	-	-	0*	93
Motherson Investments Pty Limited	0*	4	0*	5	-	-	0*	5
MSSL Global RSA Module Engineering Limited	1	1,382	2	480	-	-	2	480
Vacuform 2000 (Proprietary) Limited	0*	28	0*	68	-	-	0*	68
MSSL GMBH	1	1,296	(0)*	(9)	-	-	(0)*	(9)
Samvardhana Motherson Invest Deutschland GmbH	0*	80	(0)*	(0)	-	-	(0)*	(0)

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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 Advanced Polymers s.r.o.	0*	544	0*	94	-	-	0*	94
Motherson Techno Precision GmbH	0*	100	0*	10	-	-	0*	10
Samvardhana Motherson Polymers Management Germany GMBH	0*	2	(0)*	(0)	-	-	(0)*	(0)
Motherson Techno Precision México, S.A. de C.V	(0)*	(175)	0*	44	-	-	0*	44
MSSL Manufacturing Hungary Kft	0*	131	(0)*	(76)	-	-	(0)*	(76)
Motherson Air Travel Pvt Ltd	(0)*	(114)	(0)*	(107)	-	-	(0)*	(107)
MSSL Tooling (FZE)	1	857	1	182	-	-	1	182
Motherson Wiring System (FZE)	(0)*	(122)	0*	5	-	-	0*	5
Global Environment Management (FZC)	(0)*	(74)	(1)	(268)	-	-	(1)	(268)
Global Environment Management Australia Pty Limited (liquidated on April 20, 2018)	0*	0	1	269	-	-	1	269
Samvardhana Motherson Global (FZE)	0*	74	0*	21	-	-	0*	21
Motherson Innovations Company Limited	1	1,335	(4)	(825)	(0)*	(25)	(3)	(850)
Motherson Innovations Deutschland GmbH	0*	2	(0)*	(0)	-	-	(0)*	(0)
Samvardhana Motherson Automotive Systems Group B.V.	61	78,327	6	1,283	(9)	(615)	2	668
Associates (Investment as per Equity method)								
Indian:								
SAKS Ancillaries Limited	0*	38	0*	3	-	-	0*	3
Foreign:								
Hubei Zhengao PKC Automotive Wiring Company Ltd.	1	684	0*	56	-	-	0*	56
Re time Pty Limited	0*	6	(0)*	(3)	-	-	(0)*	(3)
Joint Ventures (Investment as per Equity method)								
Indian:								
Kyungshin Industrial Motherson Limited	1	1,849	2	423	(0)*	(3)	1	420
Calsonic Kansei Motherson Auto Products Private Limited	0*	546	1	127	0*	0	0*	128

Name of entity	Net Assets[1]		Share in profit or (loss)[1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
	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:								
Eissmann	0*	432	0*	21	-	-	0*	21
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	1	1,558	3	711	-	-	2	711
Chongqing SMR Huaxiang Automotive Products	0*	469	1	170	-	-	1	170
Minority Interest in All Subsidiaries	(23)	(29,600)	(29)	(6,629)	(23)	(1,561)	(28)	(8,190)

[1] The aforementioned amounts are before group adjustments and inter company eliminations

* Is below the rounding off norm adopted by the Company

50 Business combination

A) Acquisition of Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V.

On August 02, 2018, the Company through one of its step down subsidiary, Samvardhana Motherson Automotive Systems Group B.V. (SMRP BV) acquired 100% stake in Reydel Automotive Holdings B.V. and Reydel Automotive Management B.V. (jointly Reydel Automotive Group) at a consideration of EUR 173.0 million (₹ 13,767 million).

Reydel Automotive Group is a leading global developer and supplier of interior components to the global automotive manufacturers. Reydel's Interiors Product Portfolio includes Instrument Panels, Door Panels, Console Modules, Decorative Parts and Cockpit Modules. Reydel Automotive Group has been subsequently renamed as "Samvardhana Motherson Reydel Companies". (hereinafter referred to as "SMRC"). The acquisition enhances Group's diversification across customer portfolio and geographical footprint.

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
ASSETS	
Non-current assets	
Property, plant and equipment	11,388
Capital work in progress	1,000
Other intangible assets (including intangible assets under development)	1,610
Deferred tax assets (net)	487
Other non-current assets	1,914
Inventories	1,677
Trade receivables	11,918
Cash and cash equivalents	6,550
Other current assets	4,485
Borrowings	(3,512)

Particulars	Amount in ₹ Million
Provisions	(259)
Accrued employee liabitities	(4,011)
Deferred tax liabilities (net)	(1,235)
Other non-current liabilities	(1,674)
Trade payables	(12,379)
Other current liabilities	(2,097)
Net identifiable assets acquired	**15,863**

ii) Calculation of goodwill / (bargain gain)

	Amount in ₹ Million
Purchase consideration	13,767
Non controlling interest acquired	1,128
Net identifiable assets acquired	(15,863)
(Bargain gain)	**(968)**

The Group recognised gain on bargain purchase of ₹ 968 Million (EUR 12.2 million) being excess of fair value of identifiable net assets assumed on acquisition over the purchase consideration. The gain has been recognised under capital reserve on consolidation after allocating share to non controlling interest. The group determined that the excess of fair value over consideration paid is largely attributable to increase in fair values of property, plant and equipment over their book values as well as recognition of intangible assets in respect of customer relationships of SMRC amongst other items, as netted off by related tax impacts.

Gain on bargain purchase resulted from combination of Group's unique position to complement Reydel's business portfolio, its potential ability to manage and grow the business through synergies and a limited number of potential buyers which gave us sufficient purchasing power to achieve a beneficial transaction.

B) Acquisition of PKC Group Plc (Acquired during financial year 2016-17)

The Group 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 EUR 23.55 in cash for each outstanding share and for each outstanding equity instrument a consideration of EUR 23.55 minus the applicable subscription price in cash for each such outstanding equity instrument.

In order to effect the Combination, the Group through its wholly owned subsidiary MSSL Estonia WH OU issued a tender offer to purchase all the above mentioned shares and outstanding options. During the previous year the Group gained title to all minority shares in PKC Group Plc. which became a wholly owned subsidiary of the Group. Therefore equity share of PKC Group Plc, which were earlier listed at Nasdaq Helsinki Ltd. stock exchange were delisted its equity share w.e.f. October 6, 2017. The total acquisition cost, paid in cash amounted to EUR 571 million (₹ 40,343 million).

The Group had initially recognised goodwill amounting to EUR 231 million (₹ 16,356 million), which was restated to EUR 230 million (₹ 16,261 million) after the fair valuation of its Assets and liabilities and certain customer relationships amounting to ₹ 16,682 million, recorded in these financial statements, which were disclosed under Intangible assets (Refer Note 5).

The valuation of the acquisition was finalised as per the provisions of IND AS 103 within the measurement period which resulted in increase in value of net assets acquired by EUR 1 million (₹ 95 million), resulting in decrease in corresponding value of goodwill. The detail impact in assets and liabilities due to the valuation is given below:

	Amount in ₹ Million
Property, plant and equipment	1,026
Other intangible assets	17
Inventories	142
Other current assets	(144)
Deferred tax liabilities (net)	(32)
Other non-current liabilities	(214)
Other current liabilities	(700)
Net identifiable assets acquired	**95**

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
ASSETS	
Non-current assets	
Property, plant and equipment	5,014
Capital work in progress	370
Other intangible assets	20,559
Non current investments	50
Deferred tax assets (net)	1,546
Other non-current assets	489
Inventories	7,561
Trade receivables	9,841
Cash and cash equivalents	5,638
Other financial assets	1,050
Other current assets	1,357
Borrowings	(12,794)
Provisions	(71)
Deferred tax liabilities (net)	(1,820)
Other non-current liabilities	(528)
Trade payables	(7,438)
Other financial liabilities	(2,231)
Other current liabilities	(3,305)
Net identifiable assets acquired	**25,288**

ii) Calculation of goodwill

	Amount in ₹ Million
Purchase consideration	40,343
Non controlling interest acquired	1,206
Net identifiable assets acquired	(25,288)
Goodwill	**16,261**

C) Acquisition of Fortitude Inc.

On April 1, 2017, the Group acquired Fortitude Industries, Inc. (dba Advanced Transit Manufacturing, or ATM) in the United States. The consideration of the transaction is EUR 11.2 million. ATM develops and manufactures electrical distribution systems for rolling stock manufacturers. The acquisition was consolidated by the Group from April 1, 2017.

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
ASSETS	
Non-current assets	
Property, plant and equipment	28
Intangible assets	331
Inventories	131
Trade and other receivables	97
Trade payables and other liabilities	(104)
Deferred taxes	(138)
Net identifiable assets acquired	**345**

ii) Calculation of goodwill

	Amount in ₹ Million
Purchase consideration	773
Net identifiable assets acquired	(345)
Goodwill	**428**

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:

Trade Receivable	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
As on March 31, 2019	74,816	1,524	73,292
As on March 31, 2018	66,922	1,221	65,701

Unbilled Revenue	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
As on March 31, 2019	51,812	12,231	39,581
As on March 31, 2018	40,302	6,791	33,511

52 During the previous year ended March 31, 2018, one of the subsidiaries of the Company, Samvardhana Motherson Automotive Systems Group BV "SMRP BV" or "the Subsidiary") issued EUR 300 million (₹ 24,089 million) 1.8% Senior Secured Notes due 2024 (the "Notes") which will mature on July 06, 2024. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange.

The Notes are senior obligations of the Subsidiary and rank pari passu in right of payment with all the Subsidiary's existing and future senior obligations that are not subordinated in right of payment to the Notes, including the Subsidiary's obligations under the existing Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior basis by the Subsidiary and certain of its step down subsidiaries and are also secured by security interests granted over certain property and assets of the Subsidiary and certain of its step down subsidiaries.

The entire proceeds from the issue of the Notes along with a portion of cash balance of the Subsidiary was utilised on July 06, 2017 to repay existing €500 million 4.125% Senior Secured Notes due 2021. The €500 million Notes were repaid at a redemption price (excluding accrued interest) of 102.171% calculated in accordance with the terms of indenture for the said Notes. Accordingly, redemption premium and unamortised transaction costs amounting to EUR 21 million (₹ 1,596 million) have been charged to consolidated statement of profit and loss during the year ended March 31, 2018 as exceptional expenses.

The notes are recognised on an amortised cost basis until extinguished on prepayment or maturity of the notes.

53 Hyperinflation

The financial statements (including comparative amounts, if applicable) of the group entities whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

As the presentation currency of the group is that of a non-hyperinflationary economy, comparative amounts are not adjusted for changes in the price level or exchange rates in the current year. Differences between these comparative amounts and current year hyperinflation adjusted equity balances are recognised in other comprehensive income.

With the effect from July 1, 2018, the Argentine economy was considered to be hyperinflationary in accordance with the criteria in IND AS 29 "Financial Reporting in Hyperinflationary Economies" ("IND AS 29"). This standard requires that the entity or components financial information whose functional currency is that of an economy considered hyperinflationary be restated using a general price index that reflects changes in general purchasing power. The inflation index used in Argentina was a synthetic index with the following characteristics: i) The Internal Wholesale Price Index (IPIM) until December 2016 and ii) after that date, the National Consumer Price Index (IPC). Additionally, due to the lack of national index on November and December 2015, Consumer Price Index of City of Buenos Aires (IPC CABA) was used.

The results and financial position of Argentine subsidiary SMRC Automotive Tech Argentina S.A., whose functional currency is the currency of a hyperinflationary economy, are first restated in accordance with IND AS 29 and are then translated into the presentation currency.

All balance sheet items of Argentine subsidiary have been segregated into monetary and nonmonetary items. Monetary items are units of currency held, and assets and liabilities to be received or paid, in fixed or determinable number of units of currency. These monetary items are not restated because they are already expressed in terms of the current monetary unit. In a period of inflation, an entity holding an excess of monetary assets over monetary liabilities loses purchasing power, and an entity with an excess of monetary liabilities over monetary assets gains purchasing power, to the extent the assets and liabilities are not linked to a price level. The gain or loss on the net monetary position is included in profit or loss. The effect of inflation on the net monetary position of the Argentine subsidiary for the year ended March 31, 2019 has been a gain of ₹ 41 million.

Non-monetary assets and liabilities (items which are not already expressed in terms of the monetary unit) are restated by applying the relevant index. After the IND AS 29 restatement of nonmonetary assets, it is necessary to consider whether the restated amount of the asset might exceed its recoverable amount. Additionally, the application of IND AS 29 results in the creation of temporary differences because while the book value of non-monetary assets is adjusted for inflation but not equivalent adjustment is made for tax purpose; the effect of such a temporary difference is a deferred tax liability.

54 One of the subsidiary of the group, Motherson Rolling Stock Systems GB Limited, has signed a definitive agreement with Bombardier Transportation (Rolling Stock) UK Ltd. ("Bombardier") on February 28, 2019, to acquire Bombardier's assets in connection with the production and installation of electrical components and systems for applications in the rail industry, comprising among others the manufacturing of wiring harnesses, panel and cabinet build and electromechanical assemblies in Derby, UK. Through this, MSSL will expand its supply of electricals and wiring systems to Bombardier Transportation, to cover UK rolling stock projects. The transaction includes transfer of assets, employee and inventories, on debt free and cash free basis and is valued at GBP 10.87 millions approx. The transaction has been completed in the month of April 2019 and hence not been accounted for in these consolidated financial results.

55 Amounts appearing as zero "0" in financial are below the rounding off norm adopted by the Group.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per **PANKAJ CHADHA**
Partner
Membership No.: 091813

Place: Noida
Date: May 27, 2019

For and on behalf of the Board

V.C. SEHGAL
Chairman

PANKAJ MITAL
Whole-time Director/
Chief Operating Officer

G.N. GAUBA
Chief Financial Officer

ALOK GOEL
Company Secretary

Place: Noida
Date: May 27, 2019

(All amounts in ₹ Million, unless otherwise stated)

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013 read with rule 5 of Companies (Accounts) Rule, 2014 in the prescribed Form AOC-1 relating to subsidiary companies

Part A: Subsidiaries

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Date of Acuisition	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	Proposed Dividend	% of shareholding	Country
1	MSSL Mideast (FZE)	March 31, 2019		EUR	77.57	7,308	16,995	27,020	2,717	4,434	3,587	735	-	735	663	100%	UAE
2	Motherson Electrical Wires Lanka Private Limited	March 31, 2019		USD	69.15	10	537	614	67	-	1,593	420	59	361	311	100%	Sri Lanka
3	MSSL (GB) Limited	March 31, 2019		GBP	90.11	20,463	10,342	42,014	11,210	1,580	1,197	1,205	100	1,106	-	100%	UK
4	MSSL Japan Limited	March 31, 2019		JPY	0.62	11	40	409	358	-	835	-39	1	-39	-	100%	Japan
5	MSSL WH System (Thailand) Co., Ltd	March 31, 2019		THB	2.18	327	-73	1,071	816	-	1,168	112	-	112	-	100%	Thailand
6	MSSL Korea WH Limited	March 31, 2019		KRW	0.06	12	-19	90	97	-	175	-3	0	-3	-	100%	Korea
7	MSSL México, S.A. De C.V.	December 31,2018		MXP	3.56	406	66	792	316	-	1,682	132	38	93	-	100%	Mexico
8	MSSL Wiring System Inc	March 31, 2019		USD	69.15	-	2,328	8,647	6,319	-	17,142	1,935	421	1,514	-	100%	USA
9	Alphabet de Mexico, S.A. de C.V.	December 31,2018	August 1, 2014	MXP	3.56	6	92	343	244	-	2,176	116	42	75	332	100%	Mexico
10	Alphabet de Mexico de Monclova, S.A. de C.V.	December 31,2018	August 1, 2014	MXP	3.56	0	61	168	107	-	1,265	84	23	61	183	100%	Mexico
11	Alphabet de Saltillo, S.A. de C.V.	December 31,2018	August 1, 2014	MXP	3.56	0	48	238	189	-	1,646	86	38	48	150	100%	Mexico
12	MSSL Wirings Juarez, S.A. de C.V.	December 31,2018		MXP	3.56	0	2	11	9	-	102	5	4	2	5	100%	Mexico
13	MSSL Tooling (FZE)	March 31, 2019		EUR	77.57	3	1,087	1,539	449	-	1,267	262	-	262	-	100%	UAE
14	MSSL Global RSA Module Engineering Limited	March 31, 2019	November 1, 2009	ZAR	4.77	286	1,081	3,904	2,537	-	5,221	994	252	742	573	100%	South Africa
15	Vacuform 2000 (Proprietary) Limited	March 31, 2019	July 1, 2011	ZAR	4.77	5	31	587	550	-	957	32	20	12	-	51%	South Africa
16	MSSL Australia Pty Limited	March 31, 2019		AUD	49.06	172	-8	180	16	0	-	77	4	73	133	80%	Australia
17	Motherson Elastomers Pty Limited	March 31, 2019		AUD	49.06	0	390	937	547	-	2,569	135	39	95	64	100%	Australia
18	Motherson Investments Pty Limited	March 31, 2019		AUD	49.06	0	9	171	162	-	-	9	4	5	-	100%	Australia
19	MSSL Ireland Private Limited	March 31, 2019	March 25, 2002	EUR	77.57	4	24	31	3	-	-	0	-	0	-	100%	Ireland
20	MSSL Mauritius Holdings Limited	March 31, 2019		EUR	77.57	2,934	1,591	6,234	1,709	1,955	-	586	49	537	-	100%	Mauritius
21	MSSL (S) Pte Limited	March 31, 2019		SGD	51.01	1,049	28	1,078	2	834	6	160	0	160	-	100%	Singapore
22	Motherson Wiring System (FZE)	March 31, 2019		EUR	77.57	2	-116	88	202	-	-	4	-	4	-	100%	UAE
23	Samvardhana Motherson Global Holdings Ltd.	March 31, 2019		EUR	77.57	156	68,831	81,584	12,597	69,728	-	-51	-	-51	-	51%	Cyprus

Sl. No.	Name of the subsidiary	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Date of Acuisition	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	Proposed Dividend	% of shareholding	Country
24	Samvardhana Motherson Polymers Limited	March 31, 2019		INR	1.00	38	487	528	3	528	-	-1	-	-1	-	51%	India
25	MSSL Automobile Component Limited	March 31, 2019		INR	1.00	1	-0	0	0	-	-	-0	-	-0	-	100%	India
26	Motherson Polymers Compounding Solution Limited	March 31, 2019		INR	1.00	118	-105	28	15	-	-	7	-	7	-	100%	India
27	MSSL Consolidated Inc.	March 31, 2019		USD	69.15	-	-741	1,707	2,448	1,667	-	-106	-	-106	-	100%	USA
28	MSSL Estonia WH OÜ	March 31, 2019		EUR	77.57	-	-154	44,379	44,534	44,290	-	135	-	135	-	100%	Estonia
29	Global Environment Management (FZC)	March 31, 2019		AUD	49.06	343	-415	16	87	-	-29	1	-	1	-	100%	UAE
30	MSSL GmbH	December 31,2018		EUR	77.57	19	1,154	5,976	4,803	657	1,670	-67	-	-67	-	100%	Germany
31	Samvardhana Motherson Invest Deutschland GmbH	December 31,2018		EUR	77.57	16	53	73	5	-	11	-	-	-	-	100%	Germany
32	MSSL Advanced Polymers s.r.o.	December 31,2018	December 01, 2006	CZK	3.01	6	369	1,438	1,062	18	1,922	-51	11	-63	-	100%	Czech Republic
33	Motherson Techno Precision GmbH	December 31,2018		EUR	77.57	78	-4	715	715	0	687	-14	-	-14	-	100%	Germany
34	MSSL s.r.l. Unipersonale	December 31,2018		EUR	77.57	1	10	30	20	-	-30	4	1	3	-	100%	Italy
35	Motherson Air Travel Pvt Ltd	March 31, 2019		EUR	77.57	-	-283	1,166	1,449	-	-51	-173	-	-173	-	100%	Ireland
36	Motherson Techno Precision México, S.A. de C.V	December 31,2018		MXP	3.56	0	-197	524	721	-	711	72	62	10	-	100%	Mexico
37	Samvardhana Motherson Polymers Management Germany GmbH	December 31,2018		EUR	77.57	2	-0	2	0	-	-	-0	0	-0	-	100%	Germany
38	MSSL Manufacturing Hungary Kft	March 31, 2019		EUR	77.57	1	33	3,063	3,030	-	993	-92	2	-90	-	100%	Hungary
39	Samvardhana Motherson Automotive Systems Group B.V.	March 31, 2019		EUR	77.57	5	84,413	166,617	82,159	98,671	-	8,453	-	8,453	-	100%	Netherlands
40	Samvardhana Motherson Peguform GmbH	March 31, 2019		EUR	77.57	2	-1,072	11,332	12,402	9,475	-	-429	978	-1,407	-	100%	Germany
41	Samvardhana Motherson Innovative Autosystems Holding Company BV	March 31, 2019		EUR	77.57	8	-8	9	9	-	-	0	-	0	-	100%	Netherlands
42	SMP Automotive Interiors (Beijing) Co. Ltd.	December 31,2018		CNY	10.30	438	421	2,290	1,432	-	7,472	756	98	659	-	100%	China
43	SMP Automotive Exterior GmbH	March 31, 2019		EUR	77.57	2	985	7,813	6,826	2	11,743	-310	-	-310	-	100%	Germany
44	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	March 31, 2019		EUR	77.57	233	2,581	7,511	4,697	-	14,041	-740	9	-749	-	100%	Germany
45	SM Real Estate GmbH	March 31, 2019		EUR	77.57	2	132	902	768	-	141	47	12	35	-	100%	Germany

(All amounts in ₹ Million, unless otherwise stated)

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46	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.	December 31,2018	January 30, 2015	MXP	3.56	888	-162	1,819	1,093	-	1,018	134	110	25	-	100%	Mexico
47	SMP Deutschland GmbH	March 31, 2019	November 23, 2011	EUR	77.57	2	12,379	55,486	43,105	1,356	91,210	6,074	125	5,953	5,953	100%	Germany
48	SMP Automotive Solutions Slovakia s.r.o.	March 31, 2019	November 23, 2011	EUR	77.57	0	-1,398	403	1,801	-	1,686	-16	-	-16	-	100%	Slovakia
49	SMP Logistik Service GmbH	March 31, 2019	November 23, 2011	EUR	77.57	2	42	80	36	-	387	1	-	1	-	100%	Germany
50	Changchun Peguform Automotive Plastics Technology Co., Ltd.	December 31,2018	November 23, 2011	CNY	10.30	855	6,216	12,702	5,631	804	17,170	2,412	398	2,014	-	50% +1share	China
51	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	December 31,2018	November 23, 2011	CNY	10.30	14	-49	2	37	-	-	-5	-	-5	-	100%	China
52	Foshan Peguform Automotive Plastics Technology Co. Ltd.	December 31,2018		CNY	10.30	289	-70	2,378	2,159	-	1,446	76	33	43	-	100%	China
53	SMP Automotive Technology Iberica S.L.	March 31, 2019	November 23, 2011	EUR	77.57	1,568	3,853	17,423	12,002	5,518	20,373	810	260	550	-	100%	Spain
54	SMP Automotive Technologies Teruel Sociedad Limitada	March 31, 2019	November 23, 2011	EUR	77.57	39	170	515	305	-	1,082	142	36	107	-	100%	Spain
55	Samvardhana Motherson Peguform Barcelona S.L.U	March 31, 2019	November 23, 2011	EUR	77.57	20	369	6,386	5,997	-	2,072	445	104	340	-	100%	Spain
56	SMP Automotive Produtos Automotivos do Brasil Ltda.	March 31, 2019	November 23, 2011	BRL	17.62	7,158	-8,420	1,795	3,057	-	7,055	-1,583	-	-1,583	-	100%-1share	Brazil
57	SMP Automotive Systems Mexico S.A. de C.V.	December 31,2018	November 23, 2011	USD	69.15	4,392	219	20,244	15,633	-	22,975	1,455	687	768	-	100%-1share	Mexico
58	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.	March 31, 2019	November 23, 2011	EUR	77.57	8	545	2,581	2,028	-	7,037	744	340	405	-	100%	Portugal
59	SMP Automotive Systems Alabama Inc.	March 31, 2019		USD	69.15	-	-744	25,713	26,457	-	8,917	-8,955	-2,329	-6,627	-	100%	USA
60	Celulosa Fabril (Cefa) S.A.	December 31,2018	November 23, 2011	EUR	77.57	-	2,384	3,980	1,597	155	6,045	1,009	221	788	-	50%	Spain
61	Modulos Ribera Alta S.L.Unipersonal	December 31,2018		EUR	77.57	-	2,484	4,277	1,793	-	3,592	624	153	471	-	100%	Spain
62	Motherson Innovations Lights GmbH & Co KG	March 31, 2019	January 02, 2017	EUR	77.57	2	-2	38	38	2	76	-10	0	-10	-	100%	Germany
63	Motherson Innovations Lights Verwaltungs GmbH	March 31, 2019	January 02, 2017	EUR	77.57	2	0	2	0	-	-	0	-	0	-	100%	Germany
64	Tianjin SMP Automotive Component Company Limited	December 31,2018		CNY	10.30	309	-	769	460	-	-	-	-	-	-	100%	China
65	Shenyang SMP Automotive Plastic Component Co. Ltd.	December 31,2018		CNY	10.30	206	-	219	13	-	-	-	-	-	-	100%	China

(All amounts in ₹ Million, unless otherwise stated)

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66	Samvardhana Motherson Reflectec Group Holdings Limited	March 31, 2019		EUR	77.57	2,362	14,464	23,123	6,297	10,506	-	2,373	-	2,373	-	98.45%	Jersey
67	SMR Automotive Technology Holding Cyprus Limited	March 31, 2019	March 06, 2009	EUR	77.57	155	5,295	7,409	1,959	7,388	-	614	-	614	-	100%	Cyprus
68	SMR Automotive Brasil Ltda.	December 31,2018		BRL	17.62	1,454	-587	1,548	681	-	1,835	44	-29	72	-	100%	Brazil
69	SMR Automotive Mirror Technology Holding Hungary KFT	March 31, 2019	March 06, 2009	EUR	77.57	2	2,428	2,432	1	1,716	0	699	-	699	-	100%	Hungary
70	SMR Holding Australia Pty Limited	March 31, 2019	March 06, 2009	AUD	49.06	1,665	-44	1,623	3	1,588	-	735	-0	736	-	100%	Australia
71	SMR Automotive Australia Pty Limited	March 31, 2019	March 06, 2009	AUD	49.06	553	586	2,768	1,628	8	4,541	927	270	657	-	100%	Australia
72	SMR Automotive Mirror Technology Hungary BT	March 31, 2019	March 06, 2009	EUR	77.57	79	772	35,023	34,172	-	48,114	-2,738	-	-2,738	-	100%	Hungary
73	SMR Automotive Systems France S.A.	March 31, 2019	March 06, 2009	EUR	77.57	61	146	1,912	1,705	-	7,079	-738	1	-739	-	100%	France
74	SMR Automotive Systems India Limited	March 31, 2019	March 06, 2009	INR	1.00	137	2,427	4,371	1,808	0	6,403	737	239	499	-	100%	India
75	SMR Automotive System (Thailand) Limited	March 31, 2019		THB	2.18	1,030	-525	887	383	-	1,139	4	-	4	-	100%	Thailand
76	SMR Automotive Mirror Parts and Holdings UK Ltd	March 31, 2019	March 06, 2009	EUR	77.57	0	11,084	14,295	3,212	4,609	-	2,402	-	2,402	-	100%	UK
77	SMR Patents S.à.r.l.	March 31, 2019	March 06, 2009	EUR	77.57	1	2	455	453	-	156	6	0	5	-	100%	Luxembourg
78	SMR Automotive Technology Valencia S.A.U.	March 31, 2019	March 06, 2009	EUR	77.57	193	-13	184	4	5	-	6	0	5	-	100%	Spain
79	SMR Automotive Mirrors UK Limited	March 31, 2019	March 06, 2009	EUR	77.57	0	540	3,263	2,723	-	10,481	335	65	270	-	100%	UK
80	SMR Automotive Mirror Systems Holding Deutschland GmbH	March 31, 2019	March 06, 2009	EUR	77.57	2	2,027	3,255	1,226	872	75	580	104	476	-	100%	Germany
81	SMR Hyosang Automotive Ltd.	March 31, 2019	March 06, 2009	KRW	0.06	27	1,819	3,716	1,870	-	6,746	392	82	310	-	100%	Korea
82	SMR Automotive Modules Korea Ltd.	March 31, 2019	March 06, 2009	KRW	0.06	245	5,082	9,235	3,907	1,851	19,527	348	-65	412	-	100%	Korea
83	SMR Automotive Beteiligungen Deutschland GmbH	March 31, 2019	March 06, 2009	EUR	77.57	2	146	533	385	-	14	90	-	90	-	100%	Germany
84	SMR Automotive Systems Spain S.A.U.	March 31, 2019	March 06, 2009	EUR	77.57	90	540	3,072	2,441	171	4,834	743	170	572	-	100%	Spain
85	SMR Automotive Servicios Mexico S.A. de C.V.	December 31,2018	March 06, 2009	MXP	3.56	3	936	939	-	-	-	-0	-	-0	-	100%	Mexico
86	SMR Automotive Vision Systems Mexico S.A. de C.V.	December 31,2018	March 06, 2009	MXP	3.56	506	2,207	5,349	2,635	19	7,169	1,008	310	699	-	100%	Mexico
87	SMR Automotive Mirrors Stuttgart GmbH	March 31, 2019	March 06, 2009	EUR	77.57	2	462	1,693	1,229	85	3,522	462	0	462	-	100%	Germany

(All amounts in ₹ Million, unless otherwise stated)

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88	SMR Grundbesitz GmbH & Co. KG	March 31, 2019	March 06, 2009	EUR	77.57	4	234	288	50	-	78	-11	1	-12	-	93%	Germany
89	SMR Mirror UK Limited	March 31, 2019		EUR	77.57	3,184	-1,795	11,070	9,681	11,070	-	-867	-	-867	-	100%	UK
90	SMR Automotive Systems USA Inc.	March 31, 2019	March 06, 2009	USD	69.15	5	4,372	8,506	4,129	-	32,060	5,311	1,110	4,201	-	100%	USA
91	SMR Automotive Mirror International USA Inc.	March 31, 2019	March 06, 2009	USD	69.15	5,241	9,351	15,117	525	14,875	-	4,867	-118	4,985	-	100%	USA
92	SMR Automotive Vision System Operations USA INC	March 31, 2019		USD	69.15	3,910	2,540	24,097	17,647	3,910	-	1,968	-146	2,114	-	100%	USA
93	SMR Automotive Beijing Company Limited	December 31,2018	March 06, 2009	CNY	10.30	35	333	357	-10	-	11	9	2	7	-	100%	China
94	SMR Automotive Yancheng Co. Limited	December 31,2018	March 06, 2009	CNY	10.30	455	268	1,967	1,244	-	1,146	-83	0	-83	-	100%	China
95	SMR Automotive Holding Hong Kong Limited	March 31, 2019	March 06, 2009	EUR	77.57	178	263	444	2	443	-	-1	-	-1	-	100%	Hong Kong
96	SMR Automotive Operations Japan K.K.	March 31, 2019		JPY	0.62	16	64	91	12	-	221	15	1	14	-	100%	Japan
97	SMR Automotive (Langfang) Co. Ltd	December 31,2018		CNY	10.30	1,132	-1,130	2,935	2,933	-	4,284	-80	-	-80	-	100%	China
98	SMR Automotives Systems Macedonia Dooel Skopje	December 31,2018		EUR	77.57	0	-14	1	15	-	-	1	-	1	-	100%	Macedonia
99	Samvardhana Motherson Global (FZE)	March 31, 2019		USD	69.15	3	115	256	138	-	412	93	-	93	-	100%	UAE
100	Motherson Innovations Company Limited	March 31, 2019		EUR	77.57	3,477	-2,176	1,413	112	1,371	-	-804	-	-804	-	100%	UK
101	Motherson Innovations Deutschland GMBH	March 31, 2019		EUR	77.57	2	35	64	27	-	235	11	3	7	-	100%	Germany
102	SMR Automotive Industries RUS Limited Liability Company	December 31,2018		RUB	1.05	29	-9	25	6	-	19	1	0	1	-	100%	Russia
103	Samvardhana Motherson Corp Management Shanghai Co Ltd.	December 31,2018		CNY	10.30	81	1	92	10	-	-	1	0	1	-	100%	China
104	PKC Group Plc	March 31,2019	March 27, 2017	EUR	77.57	482	9,583	26,617	16,551	20	-	582	-	582	-	100%	Finland
105	PKC Wiring Systems Oy	March 31,2019	March 27, 2017	EUR	77.57	16	7,029	27,100	20,055	27	-	2,277	1	2,276	-	100%	Finland
106	PKC Netherlands Holding B.V.	December 31,2018	March 27, 2017	EUR	77.57	4	927	936	5	-	-	-26	2	-28	-	100%	Netherlands
107	PKC Group Poland Sp. z o.o.	December 31,2018	March 27, 2017	PLN	18.02	369	-824	3,729	4,183	146	12,756	-428	20	-448	-	100%	Poland
108	PKC Wiring Systems Llc	December 31,2018	March 27, 2017	RSD	0.66	1,658	-1,240	2,476	2,059	279	2,994	-34	-0	-34	-	100%	Serbia
109	PKC Group APAC Limited	December 31,2018	March 27, 2017	HKD	8.81	4	-1,698	3,081	4,774	185	-	-308	-	-308	-	100%	Hong Kong
110	PKC Group Canada Inc.	December 31,2018	March 27, 2017	CAD	51.82	732	-428	308	4	-	10	15	-0	16	-	100%	Canada
111	PKC Group USA Inc.	December 31,2018	March 27, 2017	USD	69.15	935	-11,813	729	11,607	-	-	-1,003	-	-1,003	-	100%	USA

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112	PKC Group Mexico S.A. de C.V.	December 31,2018	March 27, 2017	MXP	3.56	0	142	142	-0	-	-	-	-	-	-	100%	Mexico
113	Project del Holding S.a.r.l.	December 31,2018	March 27, 2017	EUR	77.57	591	675	1,269	2	-	-	535	0	535	-	100%	Luxembourg
114	PK Cables do Brasil Ltda	December 31,2018	March 27, 2017	BRL	17.62	5,735	-4,780	3,306	2,351	247	5,079	-31	11	-42	-	100%	Brazil
115	PKC Eesti AS	December 31,2018	March 27, 2017	EUR	77.57	79	11,771	14,609	2,759	5	15,489	1,475	-	1,475	-	100%	Estonia
116	TKV-sarjat Oy	March 31,2019	March 27, 2017	EUR	77.57	1	6	20	13	-	-	-1	-	-1	-	100%	Finland
117	PKC SEGU Systemelektrik GmbH	December 31,2018	March 27, 2017	EUR	77.57	2	-265	1,268	1,531	169	1,825	-101	-3	-98	-	100%	Germany
118	PK Cables Nederland B.V.	December 31,2018	March 27, 2017	EUR	77.57	2	3	5	-	-	-	-	-	-	-	100%	Netherlands
119	Groclin Luxembourg S.à r.l.	December 31,2018	March 27, 2017	EUR	77.57	207	1,530	1,743	7	-	-	-1	0	-2	-	100%	Luxembourg
120	PKC Vehicle Technology (Suzhou) Co., Ltd.	December 31,2018	March 27, 2017	CNY	10.30	453	-1,059	191	796	-	71	-175	0	-176	-	100%	China
121	AEES Inc.	December 31,2018	March 27, 2017	USD	69.15	0	8,718	13,280	4,561	594	41,705	2,928	438	2,490	-	100%	USA
122	PKC Group Lithuania UAB	December 31,2018	March 27, 2017	EUR	77.57	11	315	914	588	157	2,199	89	-15	104	-	100%	Lithuania
123	PKC Group Poland Holding Sp. z o.o.	December 31,2018	March 27, 2017	PLN	18.02	378	371	4,570	3,821	38	-	-17	-1	-17	-	100%	Poland
124	OOO AEK	December 31,2018	March 27, 2017	RUB	1.05	74	382	795	339	63	1,414	252	54	198	-	100%	Russia
125	Kabel-Technik-Polska Sp. z o.o.	March 31, 2019*	March 27, 2017	PLN	18.02	284	862	4,945	4,084	346	7,884	-2	72	-74	-	100%	Poland
126	AEES Power Systems Limited partnership	December 31,2018	March 27, 2017	USD	69.15	-	1,716	1,828	112	13	968	300	81	219	-	100%	USA
127	T.I.C.S. Corporation	December 31,2018	March 27, 2017	USD	69.15	-	-	-	-	-	-	-	-	-	-	100%	USA
128	Fortitude Industries Inc.	December 31,2018	April 01, 2017	USD	69.15	1	828	1,174	346	20	870	90	23	67	-	100%	USA
129	AEES Manufactuera, S. De R.L de C.V.	December 31,2018	March 27, 2017	MXP	3.56	59	650	1,029	319	208	2,284	135	46	89	-	100%	Mexico
130	Cableodos del Norte II, S. de R.L de C.V.	December 31,2018	March 27, 2017	MXP	3.56	0	197	451	255	-	1,657	76	27	49	-	100%	Mexico
131	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	December 31,2018	March 27, 2017	MXP	3.56	1	2	8	5	-	-	-0	-	-0	-	100%	Mexico
132	Arneses y Accesorios de México, S. de R.L de C.V.	December 31,2018	March 27, 2017	MXP	3.56	0	64	867	803	-	4,871	233	85	147	-	100%	Mexico
133	Asesoria Mexicana Empresarial, S. de R.L de C.V.	December 31,2018	March 27, 2017	MXP	3.56	7	94	190	89	4	551	25	11	14	-	100%	Mexico
134	Arneses de Ciudad Juarez, S. de R.L de C.V.	December 31,2018	March 27, 2017	MXP	3.56	0	40	91	51	-	356	16	5	11	-	100%	Mexico
135	PKC Group de Piedras Negras, S. de R.L. de C.V.	December 31,2018	March 27, 2017	MXP	3.56	0	52	176	124	-	835	38	14	23	-	100%	Mexico
136	PKC Group AEES Commercial S. de R.L de C.V	December 31,2018	March 27, 2017	MXP	3.56	0	26	171	145	-	182	10	3	7	-	100%	Mexico

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137	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	December 31,2018	March 27, 2017	CNY	10.30	1,236	2,699	5,363	1,428	586	5,696	817	61	757	-	50%	China
138	PKC Vechicle Technology (Hefei) Co, Ltd.	December 31,2018	March 27, 2017	CNY	10.30	1,030	-248	2,265	1,483	172	5,777	-65	-	-65	-	50%	China
139	Shangdong Huakai-PKC Wire Harness Co., Ltd.	December 31,2018		CNY	10.30	495	-55	550	111	262	63	-31	-	-31	-	100%	China
140	SMRC Automotive Holdings B.V.	March 31, 2019	August 2, 2018	USD	69.15	0	917	2,179	1,262	35	-	4,295	5	4,290	-	100%	Netherlands
141	Reydel Automotive Phils Inc.	March 31, 2019	August 2, 2018	PHP	1.31	66	-43	295	272	-	12	-4	1	-6	-	100%	Philippines
142	SMRC Automotive Smart Interior Tech Thailand Ltd.	December 31, 2018	August 2, 2018	THB	2.18	1,225	-601	1,385	761	-	2,281	35	-	35	-	100%	Thailand
143	SMRC Automotive Interiors Spain S.L.U.	December 31, 2018	August 2, 2018	EUR	77.57	2,213	227	6,596	4,156	-	14,078	460	99	360	-	100%	Spain
144	SMRC Automotive Modules France SAS	March 31, 2019	August 2, 2018	EUR	77.57	517	283	16,407	15,607	-	52,980	-51	-194	143	-	100%	France
145	SMRC Smart Interior Systems Germany GmbH	December 31, 2018	August 2, 2018	EUR	77.57	157	2	469	310	-	884	-18	-8	-10	-	100%	Germany
146	SMRC Fabricação e Comércio de Produtos Automotivos do Brasil Ltda.	March 31, 2019	August 2, 2018	BRL	17.62	1,509	-800	2,572	1,863	-	1,863	-53	17	-70	-	100%	Brazil
147	Shanghai Reydel Automotive Technology Consulting Co., Ltd	December 31, 2018	August 2, 2018	CNY	10.30	10	3	20	7	-	63	4	0	4	-	100%	China
148	SMRC Automotive Products India Private Ltd.	March 31, 2019	August 2, 2018	INR	1.00	1,166	540	3,245	1,539	-	4,497	105	35	71	161	100%	India
149	Reydel Automotive Holdings Spain, S.L.U.	December 31, 2018	August 2, 2018	EUR	77.57	11,401	-10,729	627	-45	75	-	-2	-0	-1	-	100%	Spain
150	Reydel Automotive Poland S.A.	December 31, 2018	August 2, 2018	PLN	18.02	114	-10	110	6	-	-	-2	-	-2	-	100%	Poland
151	SMRC Automotive Interiors Japan Ltd.	March 31, 2019	August 2, 2018	JPY	0.62	-	-52	88	140	-	198	4	25	-20	-	100%	Japan
152	Yujin-SMRC Automotive Modules Corp.	March 31, 2019	August 2, 2018	KRW	0.06	517	946	3,535	2,072	-	5,830	71	13	58	67	51%	Korea
153	Reydel Automotive Croatia d.o.o.	December 31, 2018	August 2, 2018	HRK	10.44	0	8	17	9	-	32	1	0	1	-	100%	Croatia
154	SMRC Automotive Solutions Slovakia s.r.o.	December 31, 2018	August 2, 2018	EUR	77.57	321	1,224	3,197	1,652	-	7,358	253	80	173	-	100%	Slovakia
155	SMRC Automotive Modules Russia LLC	December 31, 2018	August 2, 2018	RUB	1.05	1,197	-936	765	504	-	1,525	5	2	3	-	100%	Russia
156	SMRC Automotive Holdings Netherlands B.V.	March 31, 2019	August 2, 2018	EUR	77.57	0	6,184	8,730	2,546	6,906	-	2,182	38	2,144	-	100%	Netherlands
157	SMRC Automotives Techno Minority Holdings B.V.	March 31, 2019	August 2, 2018	EUR	77.57	0	44	153	109	7	-	21	5	16	-	100%	Netherlands
158	Reydel Automotive Argentina S.A.	December 31, 2018	August 2, 2018	ARS	1.60	0	-0	1	0	-	1	0	-0	0	-	100%	Argentina

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159	Samvardhana Motherson Reydel Autotecc Morocco SAS	December 31, 2018	August 2, 2018	MAD	7.16	887	-499	992	604	-	1,754	-49	9	-58	-	100%	Morocco
160	PT SMRC Automotive Technology Indonesia	December 31, 2018	August 2, 2018	IDR	0.00	12	-71	81	139	-	105	-18	-	-18	-	100%	Indonesia
161	SMRC Automotive Holding South America B.V.	March 31, 2019	August 2, 2018	USD	69.15	0	274	918	644	871	-	-51	-	-51	-	100%	Netherlands
162	SMRC Automotive Modules South America Minority Holdings B.V.	March 31, 2019	August 2, 2018	USD	69.15	0	26	28	2	28	-	-0	-	-0	-	100%	Netherlands
163	SMRC Automotive Interiors Management B.V.	March 31, 2019	August 2, 2018	USD	69.15	0	9	9	0	9	-	637	-	637	-	100%	Netherlands
164	SMRC Smart Automotive Interior Technologies USA, LLC	March 31, 2019	August 2, 2018	USD	69.15	-	-	-	-	-	-	-	-	-	-	100%	USA
165	Motherson Innovations LLC	March 31, 2019		USD	69.15	-	-	-	-	-	-	-	-	-	-	100%	USA
166	Motherson Osia Innovation LLC.	March 31, 2019		USD	69.15	-	-	-	-	-	-	-	-	-	-	51%	USA
167	MSSL M Tooling Ltd	March 31, 2019		EUR	77.57	-	-	-	-	-	-	-	-	-	-	100%	Mauritius
168	Motherson Rolling Stock Systems GB Limited.	March 31, 2019		GBP	90.11	-	-	-	-	-	-	-	-	-	-	100%	UK

Notes:

1. Subsidiary company 'Motherson Rolling Stock Systems GB Limited' was incorporated on February 1, 2019 and is yet to commence its business.
2. Subsidiary company 'Motherson Innovations LLC' and 'Motherson Osia Innovation LLC. was incorporated on April 5, 2018 and is yet to commence its business.
3. Kabel-Technik-Polska Sp. z o.o. changed their financial year end from December 31st to March 31st, and prepared its audited financial for 15 months period on March 31, 2019. Turnover, profit before taxation, provision for taxation and profit after taxation in the above table of these entities are for 15 months period.
4. Subsidiary company ' MSSL Overseas Wiring System Ltd.' was liquidated on January 29, 2019 and ' Global Environment Management Australia Pty Limited' was liquidated on April 20, 2018

(All amounts in ₹ Million, unless otherwise stated)

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 as on March 31, 2019			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, 2019	1,000,000	11	40.01%	The Group controls 40.01% share holding of Saks Ancillaries Limited.	The Company carries out the equity method of accounting	42	10	
Re-time Pty Limited	June 30, 2018	350	19	35%	The Group controls 35% share holding of Re-time Pty Limited.	The Company carries out the equity method of accounting	3	-9	
Kyungshin Industrial Motherson Limited	March 31, 2019	8,600,000	86	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	1,987	692	
Calsonic Kansei Motherson Auto Products Private Limited	March 31, 2019	30,930,836	400	49%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	683	97	
Ningbo SMR Huaxiang Automotive Mirrors Co. Limited	December 31, 2018	-	1,600	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	1,878	513	
Chongqing SMR Huaxiang Automotive Products Limited	December 31, 2018	-	206	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	505	66	
Tianjin SMR Huaxiang Automotive Part Co. Limited	December 31, 2018	-	41	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	0	0	
Eissmann SMP Automotive interieur Slovakia s.r.o.	December 31, 2018		204	49%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	401	-46	
Hubei Zhengao PKC Automotive Wiring Company Ltd.	December 31, 2018		589	40%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	786	365	

Notes:

1. Jointventure company 'Tianjin SMR Huaxiang Automotive Part Co. Limited' was incorporated on May 10, 2018 and is yet to commence its business.

motherson sumi systems limited

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