edition 33

Motherson Sumi Systems Limited

Annual Report 2019-2020

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

You don't wait until you're in an unexpected storm to discover that you need more strength and endurance.

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

Mr. Takeshi Fujimi
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

KFin Technologies Private Limited
(formerly Karvy Fintech 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

Debenture Trustee

Axis Trustee Services Limited
The Ruby, 2nd Floor, SW, 29,
Senapati Bapat Marg,
Dadar West, Mumbai- 400 028,
Maharashtra, 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.
- Mizuhu Bank, Ltd.






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Dear Shareholders,

I hope that all of you and your families are safe and well during these unprecedented times. We are reminded of the value of our well-being and of the importance of the relationships with those we hold dear. I hope you all feel the strength in adjusting to these new realities.

FY 2019-20 has been a year of strong performance for MSSL, closing the period of our 5th 5-Year Plan. Consolidated sales of your company ended at INR 674 billion (USD 8.9 billion including netted revenue in reported revenue as per IND AS 115). Operating EBITDA has declined by 2.7% and our PAT reduced by 27.4%. The company reported a consolidated ROCE of 10%, however if we adjust for acquisitions made post announcement of Vision 2020 as well as for Greenfields at Tuscaloosa and Kecskemet, ROCE was at 24%. The standalone ROCE came to 31%, which was impacted due to drop in revenues and further lock down in March 2020. The dividend payout for FY 2019-20 has been declared at 49% of consolidated profits after taxes, amounting to dividends of INR 1.50 per share. We have received new orders worth EUR 5.5 billion for SMRPBV during FY 2019-20.

The quote on the cover and the theme of this year's annual report summarises the philosophy of Roald Amundsen about meeting adversity on your mission. Amundsen led the first successful expedition to reach the South Pole by foot, in December 1911. It says: "You don't wait until you're in an unexpected storm to discover that you need more strength and endurance." To give you some context, the journey to the pole and back took Amundsen's team of 5 men and 52 dogs, a total of 99 days – walking 3,440 kilometres. The mean annual temperature at the South Pole is minus 49.5°C. So his achievement was absolutely astounding. However, most historians point out that what was most impressive were his preparations. For example, he could have missed all his supply depots and still would have had enough to go an extra 100 miles. But, of course, he also made preparations to ensure he wouldn't miss the supply depots.

Applied to our situation today, of course, the word "storm" in the quote points to the COVID-19 pandemic. The theme points to a broader lesson as well. Nobody can reliably predict when a storm of this kind comes. At the same time, we know from history that they always come. We have to be prepared so that we can respond and draw from a reservoir of strength. Equally important is that we prepare for the situation when conditions turn in our favour, so that we can move forward quickly and decisively.

Naturally, our results have been impacted by the unprecedented challenges posed by the COVID-19 pandemic. We are present in 41 countries that are all dealing and fighting the coronavirus pandemic and its aftermath. **However, every crisis also brings opportunities. Most of our plants have now resumed production, and countries are on the road to recovery. Vaaman has summarised the global Motherson response to COVID-19 separately for you on page 10.**

What have we achieved in this 5-year plan?

To answer this question, I want to take you back for a moment to why we started the concept of our 5-Year Plans. When we listed MSSL in 1993, Motherson was a company with a top-line of just INR 19 crores. It was a time when many global OEMs and automotive suppliers were coming to India, which was a huge challenge.

We had to think differently. We needed to find new ways to retain the interests of our customers as well as create growth prospects for our people. So, we launched the 5-Year Plans, which gave everyone a view of where Motherson was going. Internally, it also stimulated the imagination of our people, to invent ways of using our existing manufacturing capabilities to come up with new solutions for our customers.

"The flexibility to adapt to working from home, which for many has been a new experience, ***has brought tremendous learnings from which we will benefit long after the crisis is over."***

The chart on this page shows you our journey. I will also give you some more background, because we believe this will help you get a better sense of the mindset, behind our new 5-Year Plan for 2025.

5YP #1: 1995 – 2000. In 1995, we had revenues of INR 592 million and we set a target for ourselves of INR 1 billion. We did not publish this target at that time. We achieved revenues of INR 1.53 billion (USD 35.1 million, based on the exchange rate for 31st March 2000). We were very happy. But when we told our investors what we had targeted in 1995 and what we had achieved, they were not very impressed. They said, "Everybody can say that in hindsight. But if you have the courage of your conviction, publish your 5-Year Plans in your annual report". As a result, we have been doing that ever since. **During the first plan, we also formulated our vision "to be a globally preferred solutions provider" which has remained our vision until this day.**

5YP #2: 2000 – 2005. Reaching our first 5-year plan showed us that "If we dream together, we can achieve together." We set a revenue target of INR 10 billion and added one for our bottom line: 40% ROCE. We began charting a global footprint, through small acquisitions and joint ventures. We achieved revenues of INR 10.29 billion taking full revenues from joint ventures into account (USD 235 million, based on the exchange rate for 31st March 2005). Our ROCE came to 39%.

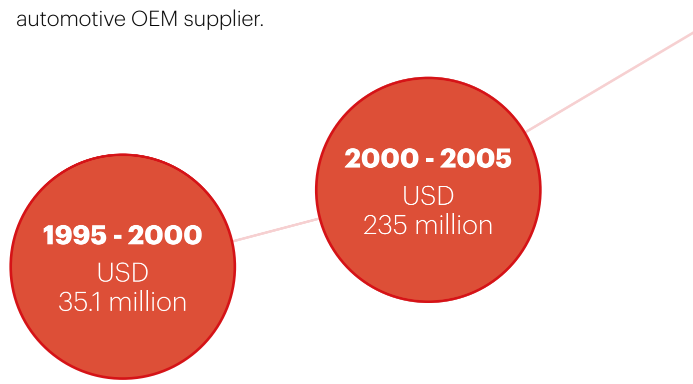
5YP #3: 2005 – 2010. Next, we wanted to globalise further and reduce dependency on a single customer. Our revenue target was USD 1 billion, with 40% ROCE. **We achieved USD 1.5 billion with a standalone ROCE of 37% and 22% on a consolidated basis.**

5YP #4: 2010 – 2015. Our next ambition was to be part of the success of our customers on a global scale and gain their trust based on our performance. We wanted to make Motherson a USD 5 billion company, with presence in multiple countries. **We surpassed the USD 5 billion mark before the end of the 5-Year Plan and ended at USD 5.5 billion.** Around 85% of our sales originated from outside India and ROCE came to 41% standalone and 26% on a consolidated basis. Setting these massive targets over the years pulled us out of our comfort zones. We had become a truly global company.

5YP #5: 2015 – 2020. This brings us to today. **The aspirational revenue target we set for MSSL was USD 18 billion by 31st March 2020 in combination with a target of 40% ROCE.** Our route to this goal has been a combination of organic and inorganic growth. Thanks to the support of our customers, we have almost doubled our revenues and have made the largest capital expenditure investments in the history of Motherson, over the past few years. In addition, we have generated the highest amount of free cash flows from operations in the history of Motherson. We acquired PKC and SMRC and successfully integrated them into the Motherson DNA.

We have expanded into 16 new countries, added more than 120 new facilities and built a record 41 new plants and plant extensions. We have done this in response to the trust our customers place in us. Many of these locations were added to support the programs of our customers around the world. Without exceptions, our teams have exceeded themselves and have delivered results that seemed impossible in 2015.

Altogether, it has resulted in a compound annual growth rate of 35% over the last 27 years since our listing in 1993. An investor who invested in the IPO in 1993 has earned a compounded annual return of 32% over 27 years. We have become the world's 22nd largest automotive OEM supplier.



Nevertheless, our target has always been to achieve top-line growth as well as Return on Capital Employed (ROCE). Due to the COVID-19 situation, we did not see good opportunities that would meet both these targets at the same time. Therefore, it has become clear that our 5-Year Plans cannot be timed perfectly. The COVID-19 outbreak has hindered us in closing several acquisitions which would have brought us closer to or above the revenue target. However, these conversations will continue and there is a possibility that the economic circumstances created by the pandemic make the available opportunities more attractive.

At the start of this 5-year plan, we had several acquisition opportunities that would have taken us straight towards USD 18 billion.

However, we decided not to complete them. We believed they would not be optimal for us in the long run. We will work hard to make up for some of the problems caused by the pandemic in the next 5-year plan. The pandemic has put a pause and not a stop. We have used this time to introspect, to ask deep questions about how we can improve ourselves and our company and how to prepare ourselves better for the changes that this crisis, like all crises, brings to the world. We believe adaptability is a crucial trait to succeed in the long run.

2005 - 2010
USD
1.5 billion

Adjusting to new realities

We are confident that MSSL will emerge stronger from this crisis. We entered the pandemic with a robust balance sheet. Our current cash position is strong. **We finalised a Motherson-wide capital efficiency plan (Project Victory). This has resulted in a range of savings and improvements, strengthening our ROCE and liquidity.** In addition, we have consolidated drawable commitments to enhance liquidity. To further amplify the liquidity, we quickly responded to raise more funds. In India, the Board approved to raise INR 10 billion of which NCDs of INR 5 billion have been issued. Globally, we are proactively working with various governments to join their support schemes.

Our debt levels are at the lowest level since 2017.
In addition, we completed a strong capital investments program before the pandemic hit the world. Many of the fruits of these capital investments will fall into our future results, giving us a solid start to our next 5-year plan.

We are deeply grateful for the opportunities our customers have given us even during these difficult times.

2010 - 2015
USD
5.5 billion

Moreover, they have signalled their continued trust in us. We are confident that this will translate not only in the consolidation of orders that existed before the pandemic hit but will also lead to new organic and inorganic growth opportunities for us. We will continue to invest in supporting all our customers across our facilities, across the world and across all programs. We will continue to make decisions collaboratively, in the interest of all our stakeholders.

Our new 5-year plan for 2025

We continue to build Motherson for the long-term. The launch of our 6th 5-year plan is a reflection of that commitment. For this plan, we have asked ourselves: "How can we pivot to new industries, given our current skills?

2015 - 2020
USD
8.9 billion

We started laying the foundations in the past 5 years, with entries into Aerospace, Logistics and Health & Medical segments. So, with the continued trust of our customers and investors, the resilience of our teams and a strong balance sheet, we set ourselves the following targets for 2025:

- **USD 36 billion revenues in 2024-25 with 40% ROCE (consolidated)**
- **3CX10: No country, customer or component should contribute more than 10% to our revenues**
- **75% of revenues from the automotive industry, 25% from new divisions**
- **40% of consolidated profit as dividend**

We wanted to showcase these plans in more detail to you in June in a live meeting with our management and our global teams. However, current circumstances have prompted us to tentatively postpone this to October or November of this year.

It is sometimes said that a crisis does not so much create character but reveals it. If this is true, we are certainly blessed at Motherson. I have been heartened by the outpouring of support from our colleagues for each

other and for the communities we work in. The degree, to which our teams have complied with health guidelines, has been exemplary. Their flexibility to adapt to working from home, which for many has been a new experience, has brought tremendous learnings from which we will benefit for long, even after the crisis is over. We have seen fantastic initiatives from production teams working together to produce protective masks for doctors, firefighters, nurses, and medical researchers in their local areas. While we kept our social distance, we have also come closer. The feeling that we are all in this together has strengthened our bonds as a global family. I am extremely proud of the display of humanity and resilience from our people all over the world during these stressful times. I believe it shows that we have a very strong foundation, from which to face the future.

Finally, I want to express our deep gratitude, to our customers. Thank you for allowing us to serve you and for your belief in us, also during the past few months. We believe the future holds tremendous new opportunities for all of us.

To our investors, thank you for your continued trust, support and encouragement.

To our collaborators, thank you for helping us bring world-class solutions to our customers. Thank you for bringing your imagination, your technology and your positivity to our collaboration.

To our employees and teams, thank you for your energy and commitment to your work and for the new heights you have taken Motherson to during this 5-year plan. Thank you for your energy and unrelenting efforts during the pandemic. You have made us even more resilient.

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

Finally, a heartfelt gratitude to all the health workers, medical professionals, doctors, nurses, emergency service personnel, researches, etc. around the world for their phenomenal support to all of us. We are deeply grateful for your tremendous commitment, professionalism and empathy to all those in need.

The future is bright for all of us and a new journey begins, in which I hope we can further strengthen our bonds and create new levels of prosperity, stability, growth and friendship.

Onwards towards 2025 and towards an even stronger future together!

Sincerely yours,

Vivek Chaand Sehgal
Chairman,
Motherson Sumi Systems Limited

Our COVID-19 response: **to come out stronger.**

The global spread of the COVID-19 virus is having a significant effect on every one of us. The world-wide efforts to contain the virus, to protect the most vulnerable and to treat those who are infected, has required contributions from all of us. Motherson has taken a differentiated yet holistic approach to serve the immediate interest of all our stakeholders including employees, customers, investors and the communities that we are a part of. While the priority has been to quickly adapt to the new circumstances we are also taking the time for introspection, looking for new opportunities this crisis may offer us and to prepare ourselves for the future. I would like to share the highlights of our approach with you.

Employees – protect health and well-being

The first step we have taken is a range of measures to protect the health and resilience of all members of the global Motherson family. These measures include implementation of all local and international safety guidelines, introduction of work from home practices where possible, and adjusting shift planning for essential operations to accommodate social distancing, and providing safety materials like masks and sanitizers, and ensuring work space sanitisation.

In addition, we have created detailed global re-opening guidelines, with employee health and safety as the No.1 priority. These guidelines take into account the lessons we have learned from our reopened plants in China and Korea, which were ahead of the rest of the world in terms of the post lockdown re-start. Each of our local plants and offices have taken measures to provide our teams a safe environment, meeting all local and global safety guidelines.

At the same time, we are incorporating best practices from responding to this pandemic into our existing emergency and recovery protocols to make future responses, if required, more robust.

As these have been stressful and difficult times for all of us, we have organised regular internal online briefing meetings with our staff. This allows us to look after each other, respond to questions and strengthen our bonds and mental resilience.

Customers – in close contact to support their needs

We have closely followed the decisions by our customers to temporarily close their manufacturing plants and the steps they have taken to gradually re-open them. Motherson maintains close contact with all our customers to support their re-start schedules with tireless dedication. We are very grateful that we have not seen any major changes in our contracts or programs so far, and most customers are making ramp up plans to meet the anticipated recovery in demand.

The post-lockdown experiences in China, which closed first, have been positive. Car makers have reported demand for vehicles close to pre-crisis levels. Similarly, in our China plants production returned to near pre-COVID-19 levels soon after re-opening. Customers in India, Europe and the Americas started to reopen plants at the end of April and during the first half of May. The implementation of our re-opening protocols has gone smoothly, with health and safety regulations taking top priority - for example, by keeping workers at a safe distance from each other.

As infection rates and the associated government measures differ by country and sometimes

> *"We are very grateful that we have not seen any major changes in our contracts* ***or programs yet, most customers are making plans to meet pent-up demand."***

by regions within countries, we are in continuous contact with governments and our customers to ensure our alignment with the production plans. This allows us to anticipate and adapt to the constantly changing situation.

The crisis has strengthened our commitment to a principle we have long believed in at Motherson, which we call "breathing with the market". It means that we develop an ability to ramp-down or ramp-up our production capacity and costs across our plants, in line with the needs of our customers and the forces of the market. We are collecting the lessons learned and best practices from our global plants arising from this unprecedented situation, and we are updating our protocols and emergency plans accordingly. This will further strengthen our response capability to the challenges that may be posed by future economic cycles or pandemics.

Investors – our financial prospects remain strong

The COVID-19 pandemic is impacting our customers and hence our business as well. However, we are building Motherson for the long-term and believe our prospects remain strong. We are taking measures to deal with the immediate situation as well as preparing ourselves for the longer-term, and our new 5-year plan out to 2025.

We have paid out dividends in line with existing policies, and our major capital expenditure investments to facilitate growth were already completed in the last fiscal year. Our future capital expenditures are aligned with the launch schedules of our customers and will only be reduced or postponed when there are material changes in the launch plans of our customers. As we have long term visibility on our customer orders, we believe Motherson will generate significant free cash flows in the coming years. When it comes to inorganic growth, we believe the current economic and industry circumstances will bring many new opportunities for acquisitions at attractive valuations. We are in close contact with our customers to evaluate any such opportunties where we might be able to help them in this respect as further consolidation takes place. Some of these acquisitions could be in the new industry segments we have entered, such as logistics, medical supplies and aerospace.

We completed a broad program of cost rationalisations just before the crisis, controlling non-critical business investments and optimising working capital to conserve and generate cash flows. Many of these intiatives continued into the crisis, adjusting our costs during the shutdowns where possible. In addition, we have worked closely with government employment protection schemes around the world allowing us to safeguard jobs during this difficult time. Other initiatives have helped us to further reduce fixed costs during the period of non-production.

In addition, we have worked closely with our customers to optimise engineering working capital and the realisation of receivables, and have helped our own suppliers to prepare for the post-lockdown volume ramp up.

As a result, our cash position is strong and our debt levels are at the lowest levels since the last 10 quarters, with no major maturities of debt due in the FY 2020-21. To further enhance liquidity, we have approval from the Board of Directors to raise up to INR 10 billion. We are also working with various government supported schemes to enhance liquidity. Finally, MSSL's parent company, Samvardhana Motherson International Limited ("SAMIL"), has repaid part of its debt and intends to pay back more facilities from internal accruals and dividends.

"The implementation of our re-opening protocols has gone smoothly, with health and safety regulations taking top ***priority, such as keeping workers at a safe distance from each other."***

Societies – supporting their well-being and resilience

Motherson has taken multiple initiatives to support the health and resilience of local communities. These activities include distributing daily meals where required, and supporting local governmental initiatives. In addition, Motherson has also worked with customers to facilitate the manufacturing of medical supplies such as ventilators, supplying spray guns for sanitising and providing oil-free compressors. Many of our facilities globally have produced protective visors for doctors, firefighters, nurses, and medical researchers in response to local surges in demand for this vital equipment. Finally, we have taken all measures necessary to ensure the safety of our employees and their families as well as the readiness of our suppliers to restart production in all plants as soon as possible.

We believe these measures will help us come out of this crisis stronger, in good personal and corporate health, and with outstanding prospects for the future.

Sincerely,

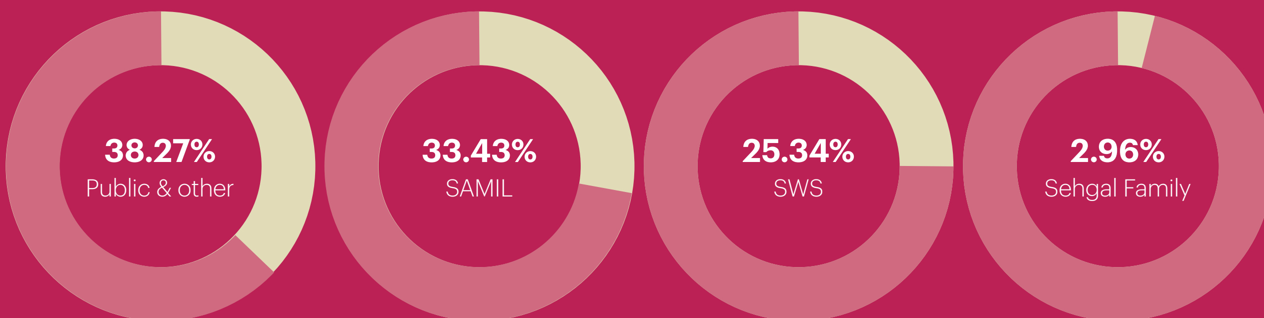
Laksh Vaaman Sehgal
Director, Motherson Sumi Systems Limited

"The COVID-19 pandemic is impacting our customers and hence our business as well. However, we are building ***Motherson for the long term and believe our prospects remain strong."***

MSSL shareholder structure.

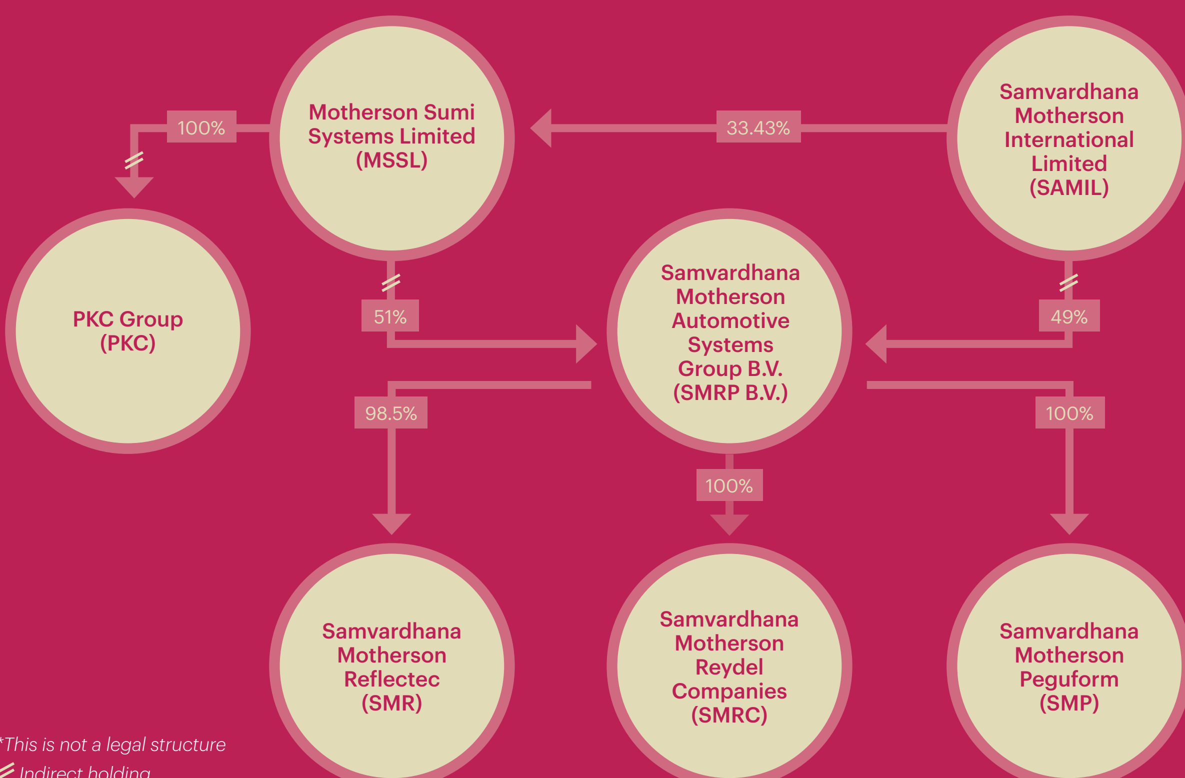
MSSL shareholding pattern

as on 31-03-2020



MSSL shareholdings in major subsidiaries*

as on 31-03-2020



*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

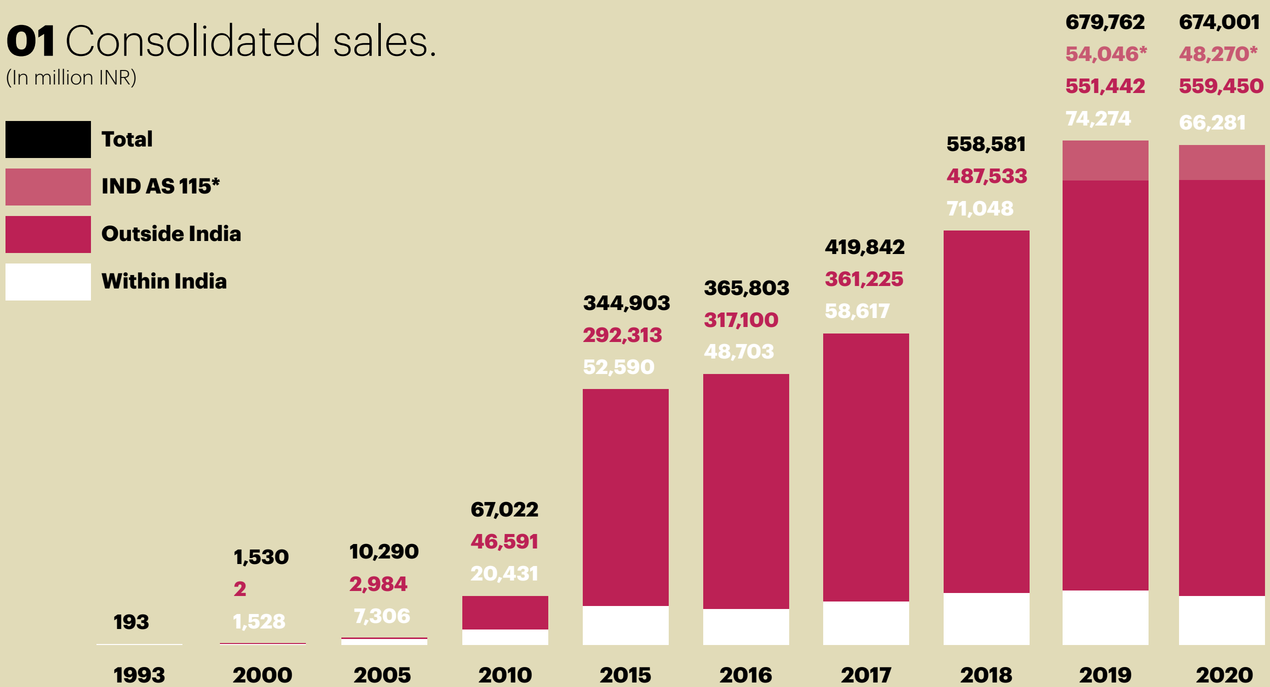
Values:

- 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

Financial highlights.

01 Consolidated sales.

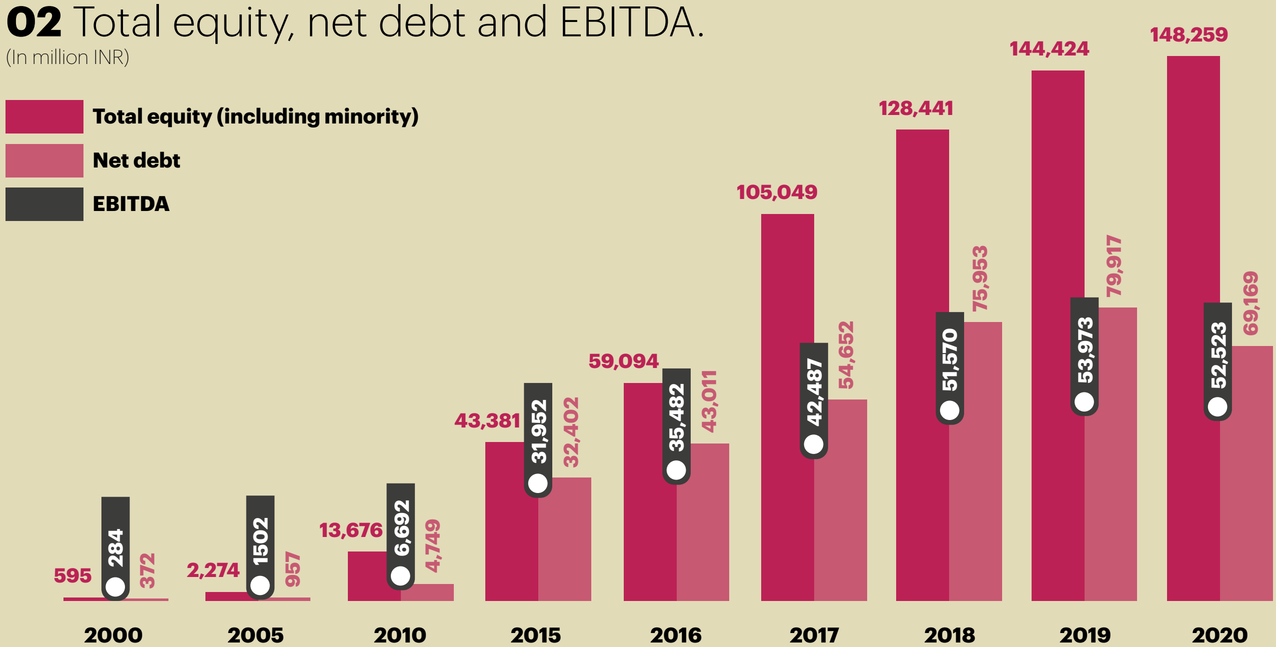
(In million INR)



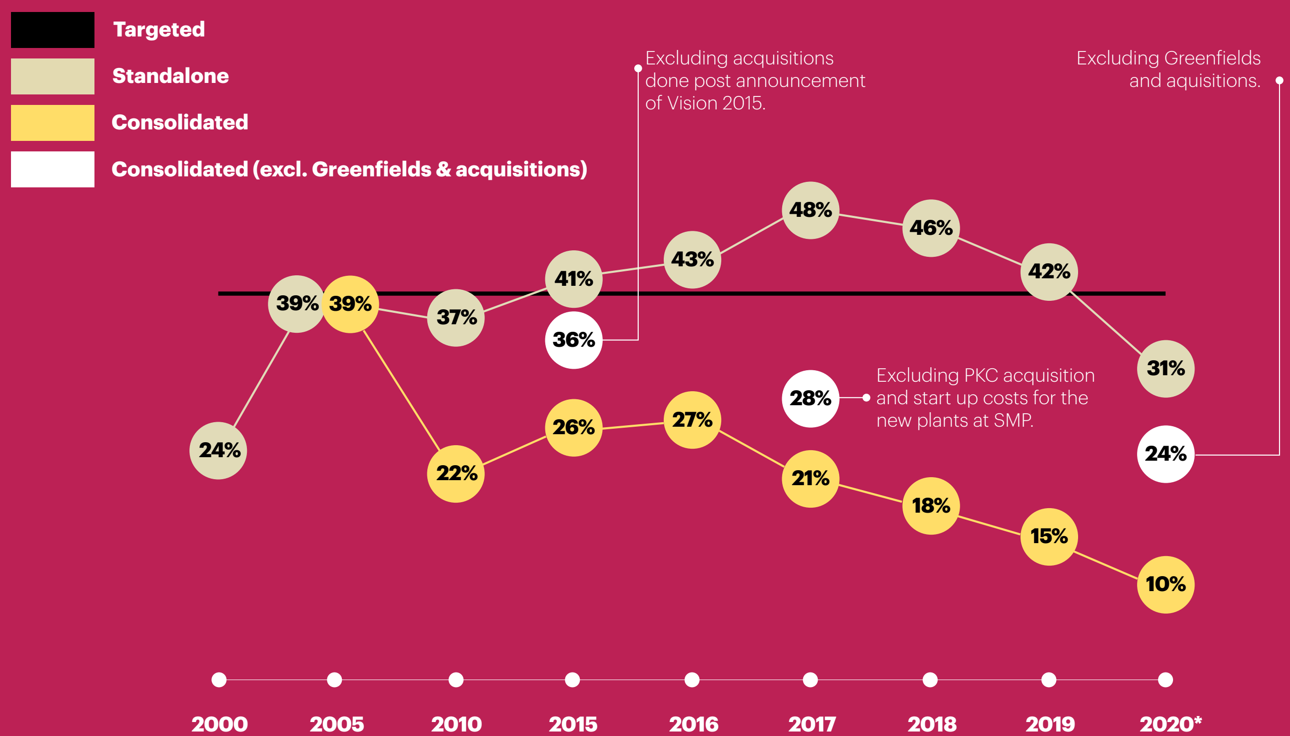
*Including revenues netted on implementation of IND AS 115 wef 1-4-2018

02 Total equity, net debt and EBITDA.

(In million INR)



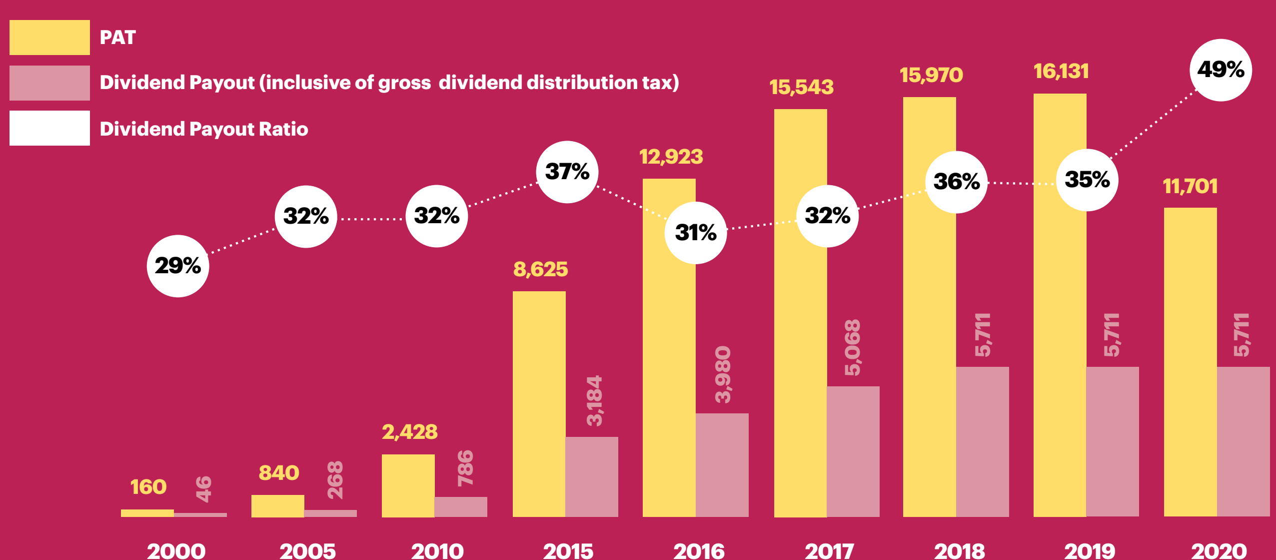
03 Return on average capital employed (ROACE).



*ROCE for the FY 19-20 impacted due to COVID – 19 pandemic, negative growth in automotive industry globally and higher initial ramp up costs at new Greenfields of SMP.

04 PAT and Dividend Payout.

(In million INR)



You don't wait until you're in an unexpected storm to discover that you need more strength and endurance.

The theme of this year's annual report is a summary of the approach taken by the famous explorer Roald Amundsen, who led the first successful expedition to reach the South Pole by foot, in December 1911. It was an incredibly difficult journey. It took the team, which consisted of 5 men and 52 dogs, a total of 99 days. In total, they walked 3,440 kilometres, in temperatures that were below minus 50°C at times, and gale-force winds. His achievement was astounding. However, many historians have said that his preparations were perhaps even more impressive.

We have chosen this theme because for us the word "storm" points to the COVID-19 pandemic. However, the theme also points to a broader lesson. Nobody can reliably predict when a storm of this kind comes.

Crucially, however, we know from history that storms inevitably come and so we have to be prepared. Storms could take the form of adversities that are very specific to our company, or to our industry as a whole. It can also be the global business cycle. It can be, as it turns out, a pandemic. Whatever the nature of the storm, we have to be prepared for them and respond and adjust when they happen.

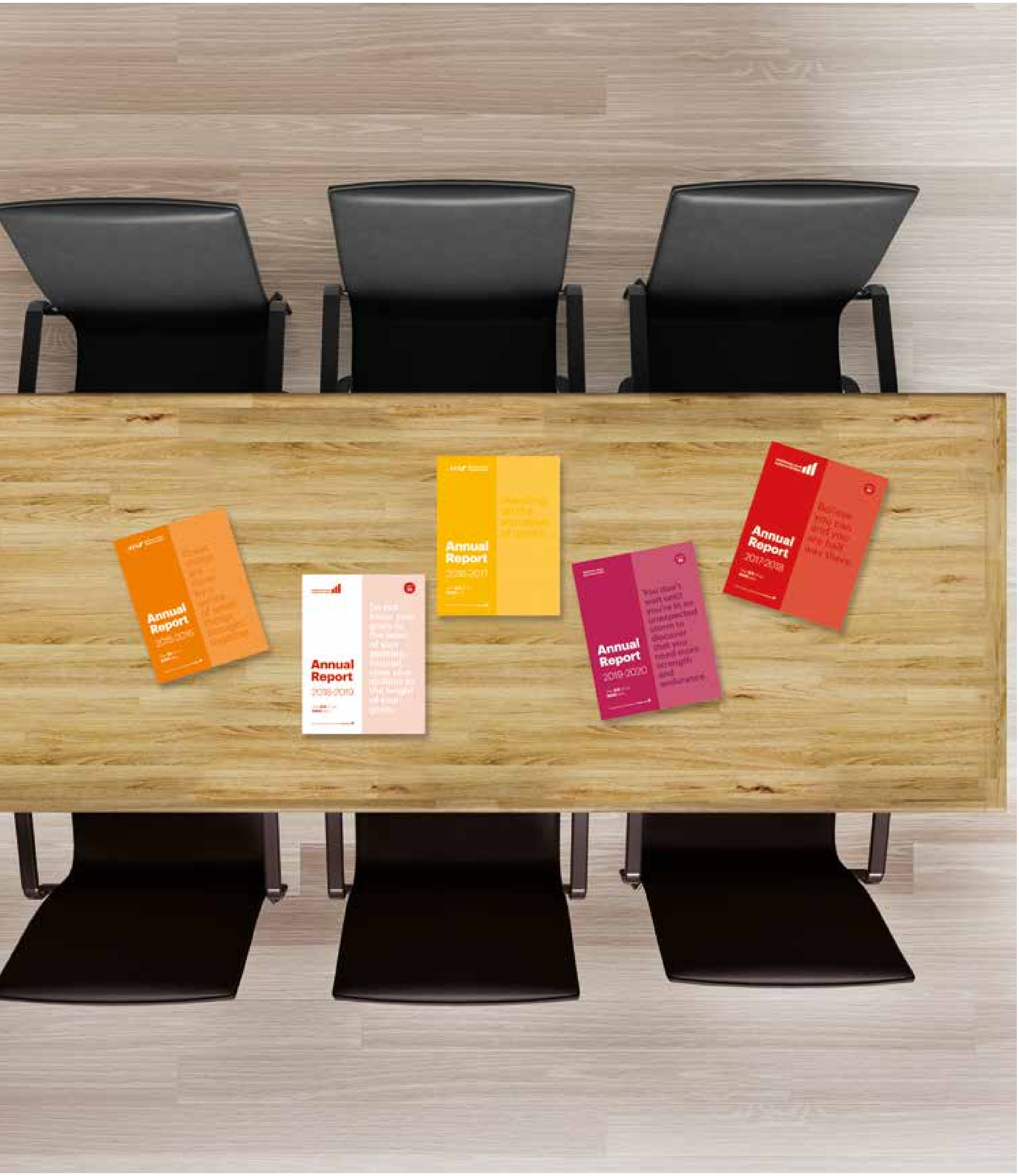
We believe that our practice of using 5-year plans has helped us enormously in preparing for both storms and good weather. This year marks the end of our 5th 5-year plan, launched in 2015, when our revenues were US$ 5.5 billion.

We started this practice of formulating 5-year plans in 1995. In those days, we were a small India-centric company, facing a very strong challenge from international competitors that were coming to India. To survive, we knew we had to be bold and reach far beyond what we imagined was possible at the time.

Without our 5-year plans, we would probably have continued to grow at around 10-20% a year. This would have been handsome. It would have made us a US$ 270 million company in 2020. In reality, we are a US$ 8.9 billion company today. Thanks to our long-term view. We have always believed that one quarter or one year is not enough to see if a company is really doing well and to really stretch yourself - hence the 5-year plans. Of equal importance, however, has been our focus on Return on Capital Employed (ROCE). This has led us to have a pervasive financial discipline, which focuses on having enough cash and employing it frugally and wisely. This has helped us prepare and be strong both in storms as well as in good weather.

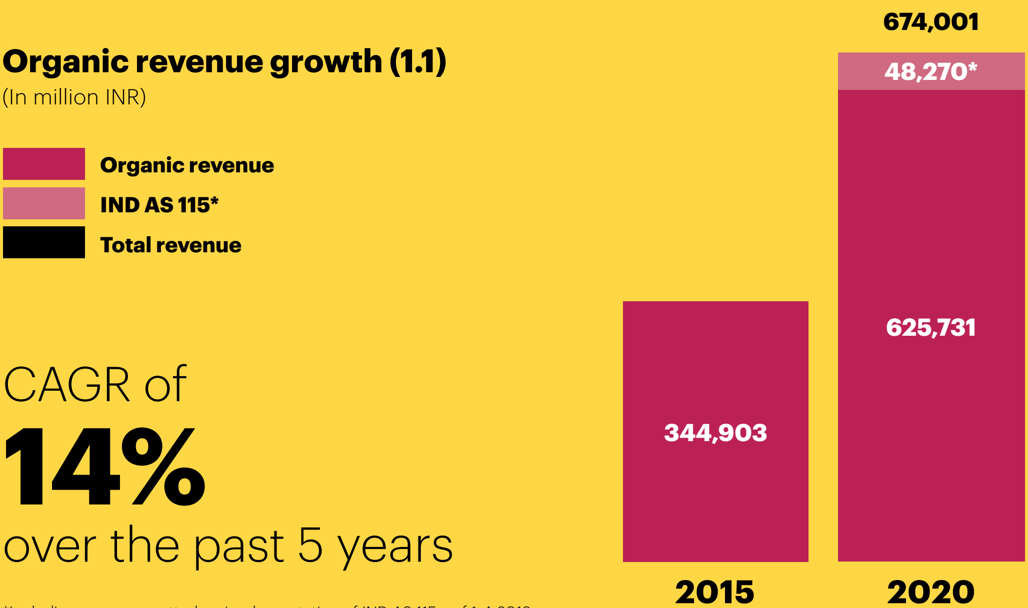
In the theme pages this year, you will find a visual overview of our main achievements of the past 5 years. They will give you a graphical sense of our journey and the tremendous accomplishments of our teams. We look back with great pride and gratefulness for the support of our customers, investors and employees who made this possible.

At the same time, we are also launching a new 5-year plan for 2025. Every end is also a beginning. Our 2025 plan will bring us new opportunities and take us to new heights.


Annual Report
2015-2016
Annual Report
2018-2019
Annual Report
2016-2017
Annual Report
2019-2020
Annual Report
2017/2018

Organic Growth.

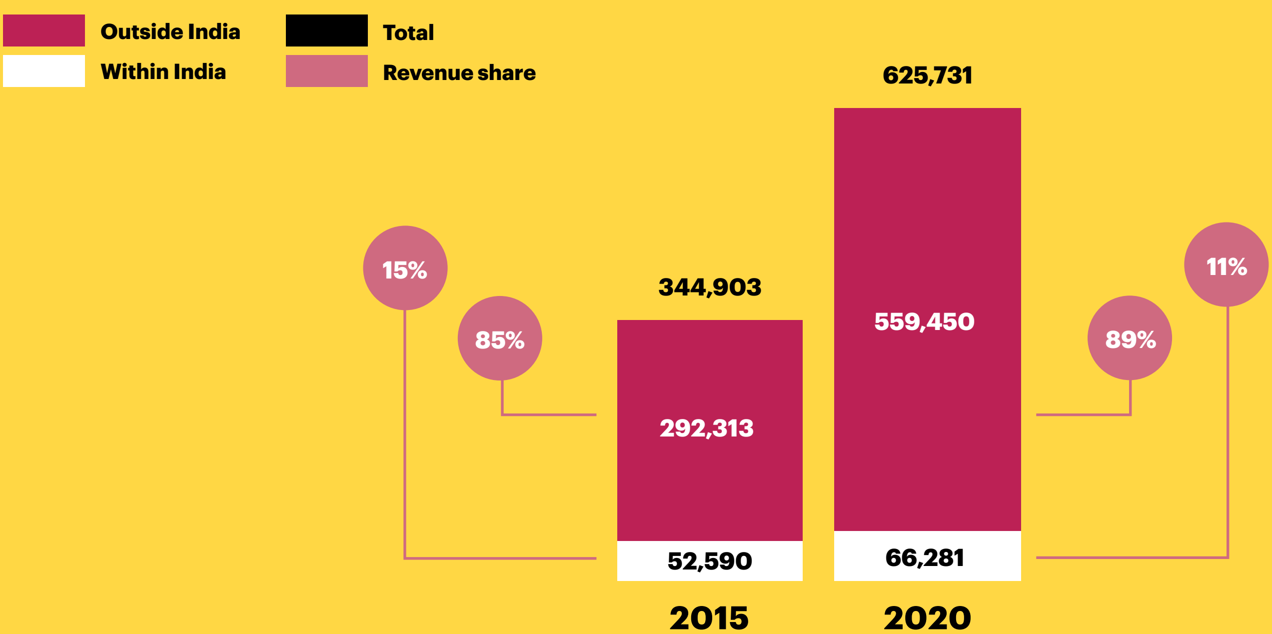
Organic revenue growth (1.1)
(In million INR)



CAGR of
14%
over the past 5 years

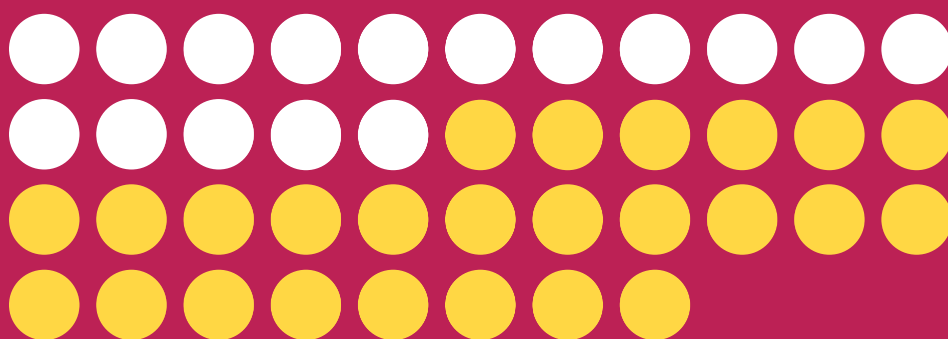
*Including revenues netted on implementation of IND AS 115 wef 1-4-2018

Revenues within and outside India (1.2)
(In million INR)



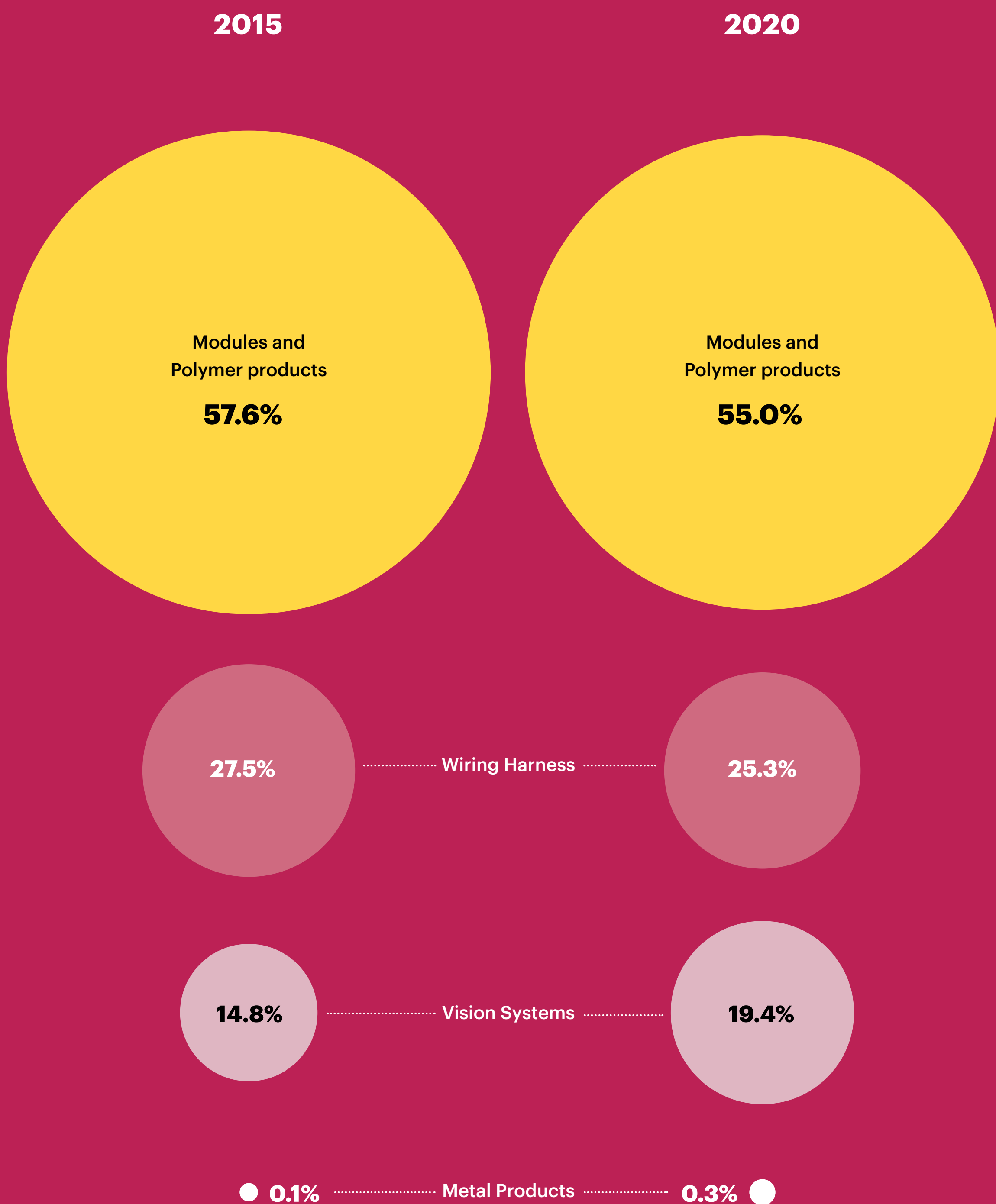
New plants and facilities (1.3)
(Since 2015)

16 Greenfields
25 Brownfields

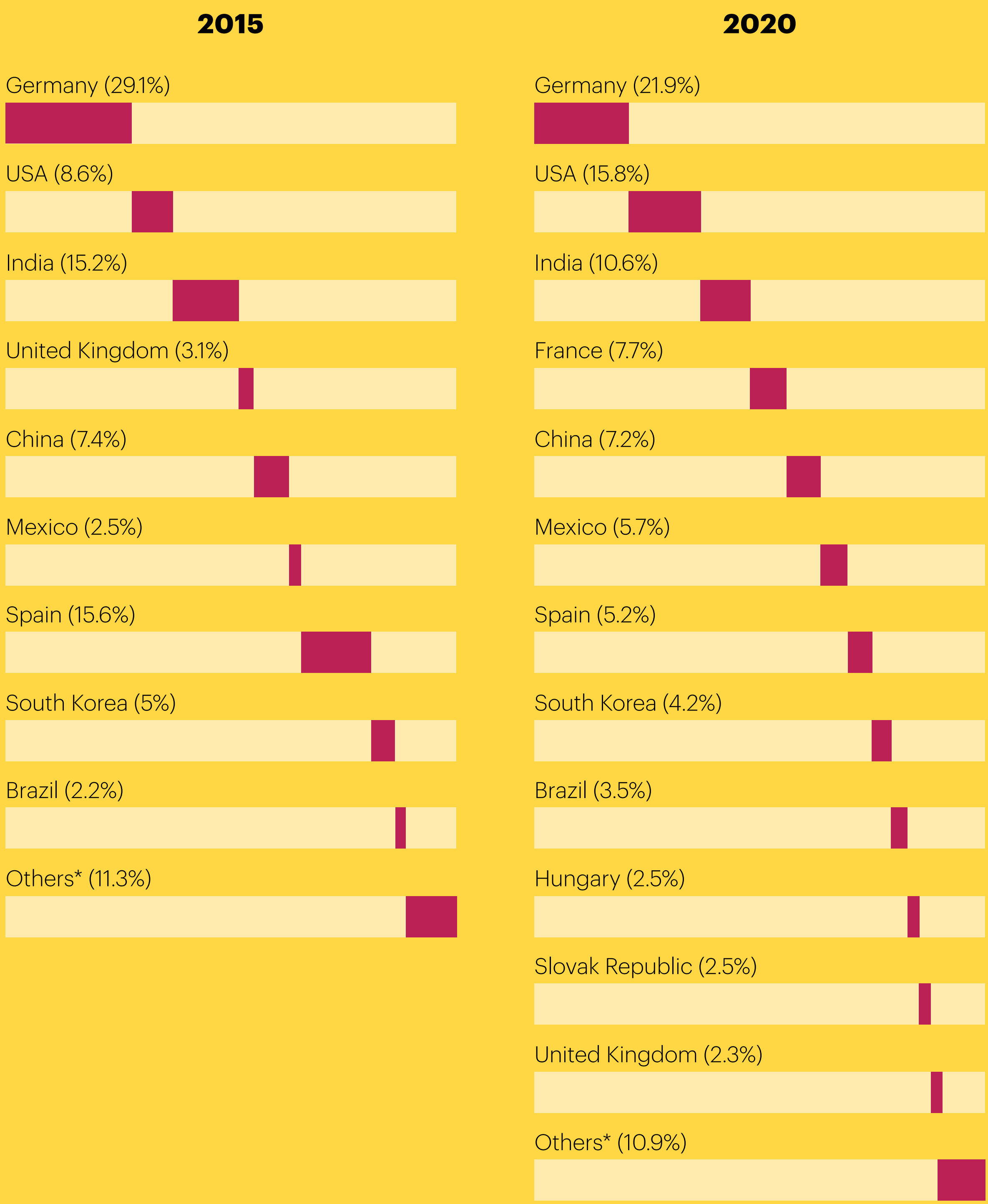


Total
41

Revenue break-up by division (1.4)



3CX15 region-wise break-up (1.5)



*No country is > 2%

3CX15 customer-wise break-up (1.6)

2015

Customer	Share
Mercedes-Benz / Daimler	4.9%
Audi	21.5%
Volkswagen	11.5%
Renault Nissan	5.4%
BMW	5.8%
Ford	5.1%
Seat	7.8%
Maruti Suzuki	5.3%
Porsche	3.4%
Hyundai	5.8%
General Motors	2.9%
Kia Motors	2.4%
Tata Motors	2.3%
Others*	15.9%

2020

Customer	Share
Daimler Group	13.9%
Audi	12.5%
Volkswagen	8.7%
Renault	5.2%
BMW	4.5%
Ford	4.4%
PSA Group	4.3%
Maruti Suzuki	3.9%
Porsche	3.6%
Hyundai	2.7%
Paccar	2.4%
General Motors	2.4%
Scania	2.2%
Nissan	1.7%
Opel	1.6%
Others*	26.0%

*No customer is > 2%

Consistently generating cash from operations Organic and Inorganic growth (1.7)

(In million INR))

Inorganic Growth.

Acquisitions (2.1)

2016

Abraham and Co Ltd
Hungary
Products: Supplies to SMR for plastic moulded parts
Acquisition date: Oct-16
Acquisition price: € 10.4 million
Revenue FY 19-20: Not applicable, integrated in SMR supply chain

2017

Kobek Siebdruck GmbH & Co. KG
Germany
Products: LED solutions, Screen printed products
Acquisition date: Feb-17
Acquisition price: € 1.6 million
Revenue FY 19-20: € 0.92 million

PKC Group
Finnish listed company, Finland
Products: Wiring harness for commercial vehicles
Acquisition date: Mar-16
Acquisition (share price): € 571 million
Revenue FY 19-20: € 1176.81 million

*Revenue for 1 month only (March 2020)

2018

Reydel Automotive
Netherlands
Products: Interior polymer modules
Acquisition date: Aug-18
Acquisition price: $ 201 million
Revenue FY 19-20: € 899.80 million

2019

Bombardier UK's Rolling Stock Electrical Component and Systems Business
United Kingdom
Products: manufacturing of wiring harnesses, panel and cabinet build and electromechanical assemblies
Acquisition date: Apr-19
Acquisition price: GBP 9.396 million
Revenue FY 19-20: GBP 44.30 million

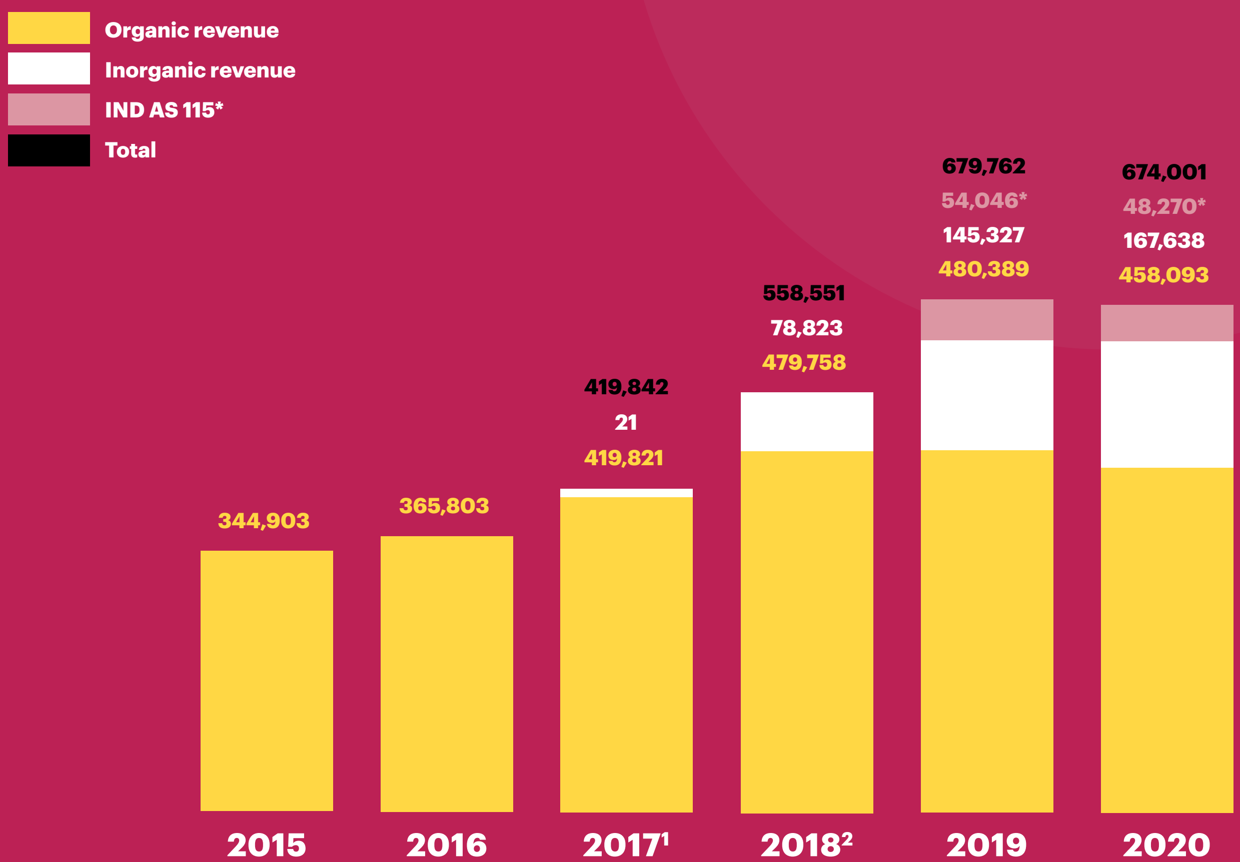
2020

Wisetime, Ltd.
Finland
Products: ERP systems, mainly to PKC
Acquisition date: Mar-20
Acquisition price: € 5.33 million
Revenue FY 19-20: € 0.09* million

Expanding global footprint as a result of aquisitions made to support our customers worldwide (2.2)

Revenues (2.3)

(In million INR)

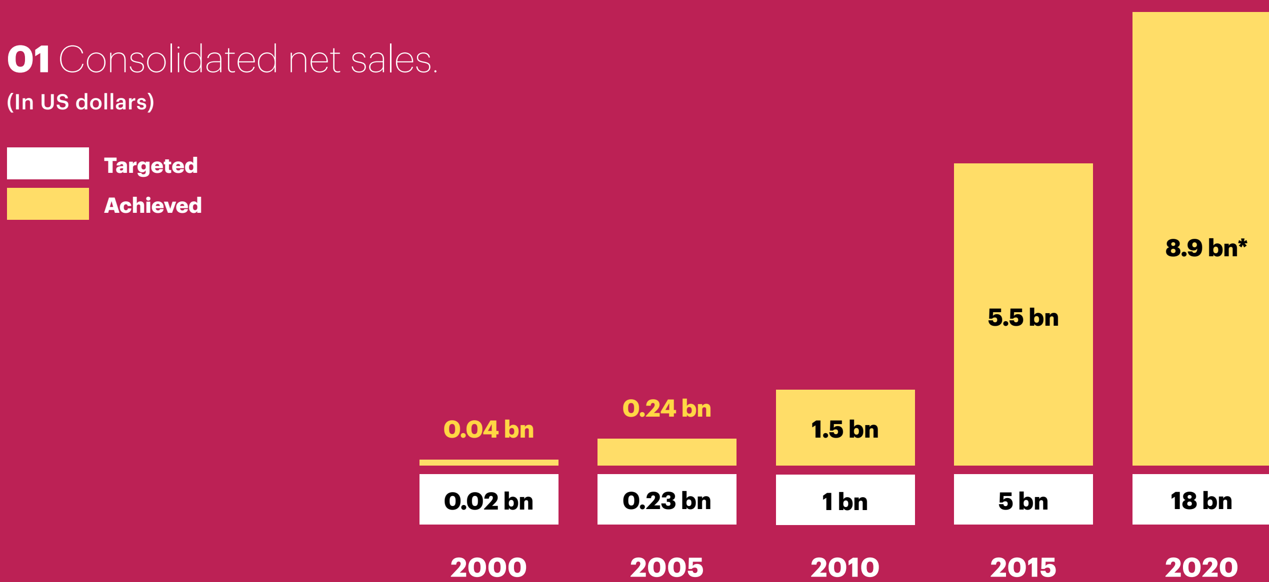


[1] In 2017, revenues of PKC group (acquired at the end of March 2017) of Euro 845 million for 2016 on proforma.
[2] In 2018, revenue of proposed acquisition of Reydel group amounting to USD 1,048 million (based on unaudited financials for CY 17 USGAAP) on proforma.
*Including revenues netted on implementation of Ind AS 115 wef 1-4-2018.

Targeted vs. Achieved.

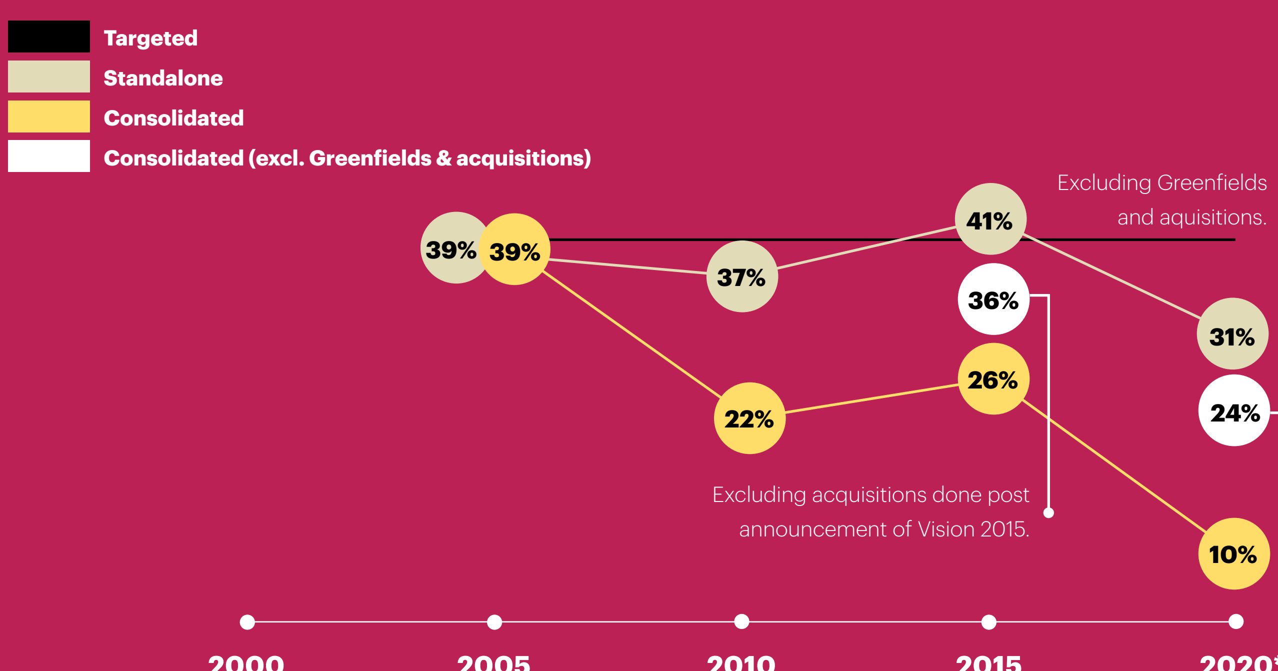
01 Consolidated net sales.

(In US dollars)



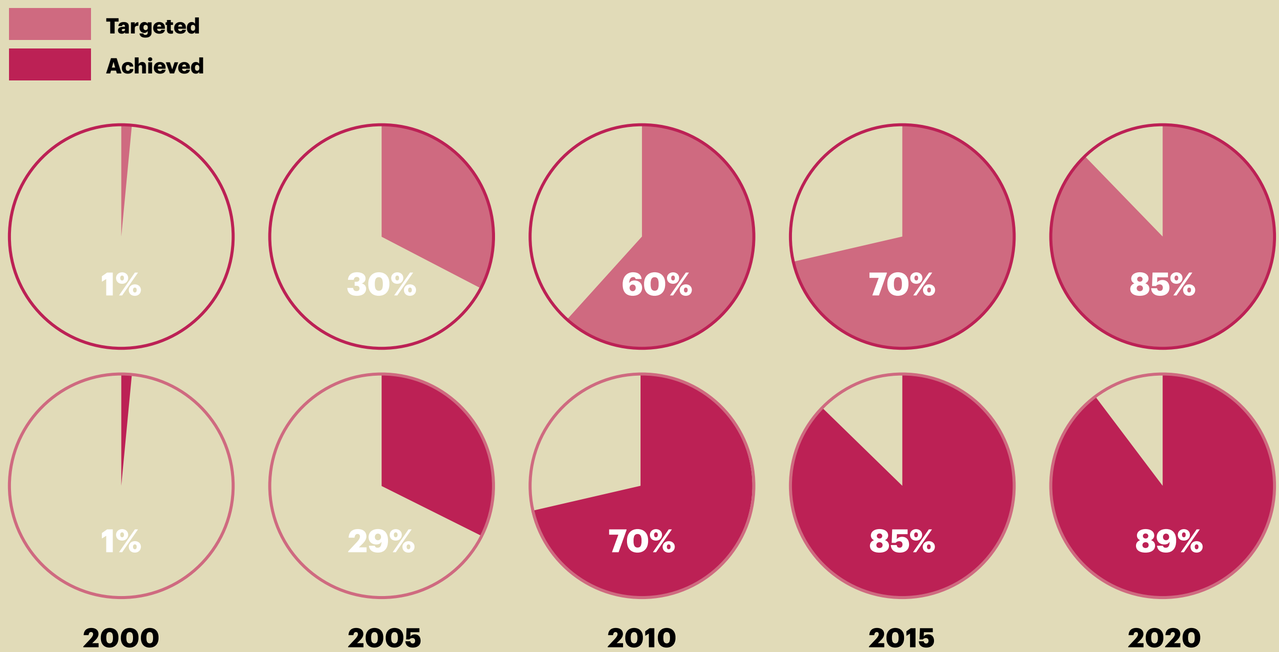
*Including revenues netted on implementation of Ind AS 115 wef 1-4-2018

02 ROCE.



*ROCE for the FY 19-20 impacted due to COVID – 19 pandemic, negative growth in automotive industry globally and higher initial ramp up costs at new Greenfields of SMP.

03 Sales from outside India.



04 Other 5-year targets.

Targeted / Achieved

		2005	2010	2015	2020
Dividend payout ratio.	Achieved	43%	44% s 32% c	62% s 37% c	64% s 49% c
	Targeted	40%	40%	40%	40%
Global presence.	Achieved			25 countries	
	Targeted			26/27 countries	
Largest customer contribution.	Achieved	27%	15%		14%
	Targeted	<25%	<20%		3CX15

S=standalone
C=consolidated

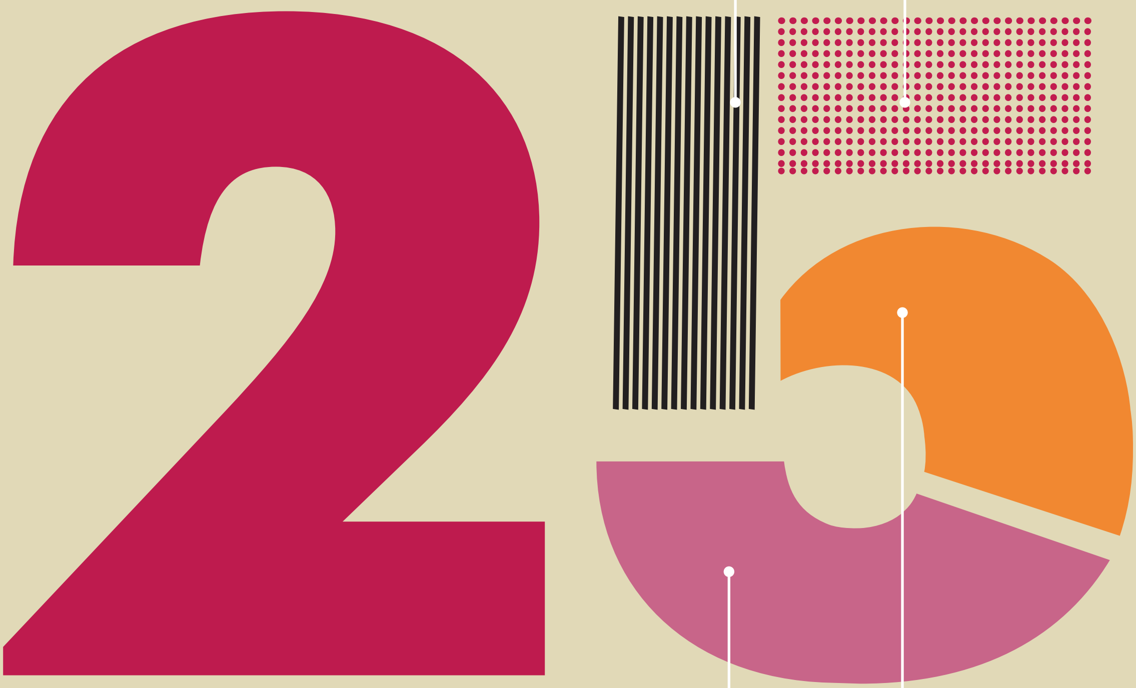
Vision

20

The sixth 5-year plan.

No. 1
USD 36 billion revenues in 2024-25 with 40% ROCE
(consolidated)

No. 2
3CX10
No country, customer or component should contribute more than 10% to our revenues



No. 3
75% of revenues from automotive industry, 25% from new divisions

No. 4
40% of consolidated profit as dividend

Motherson Sumi Systems Limited.

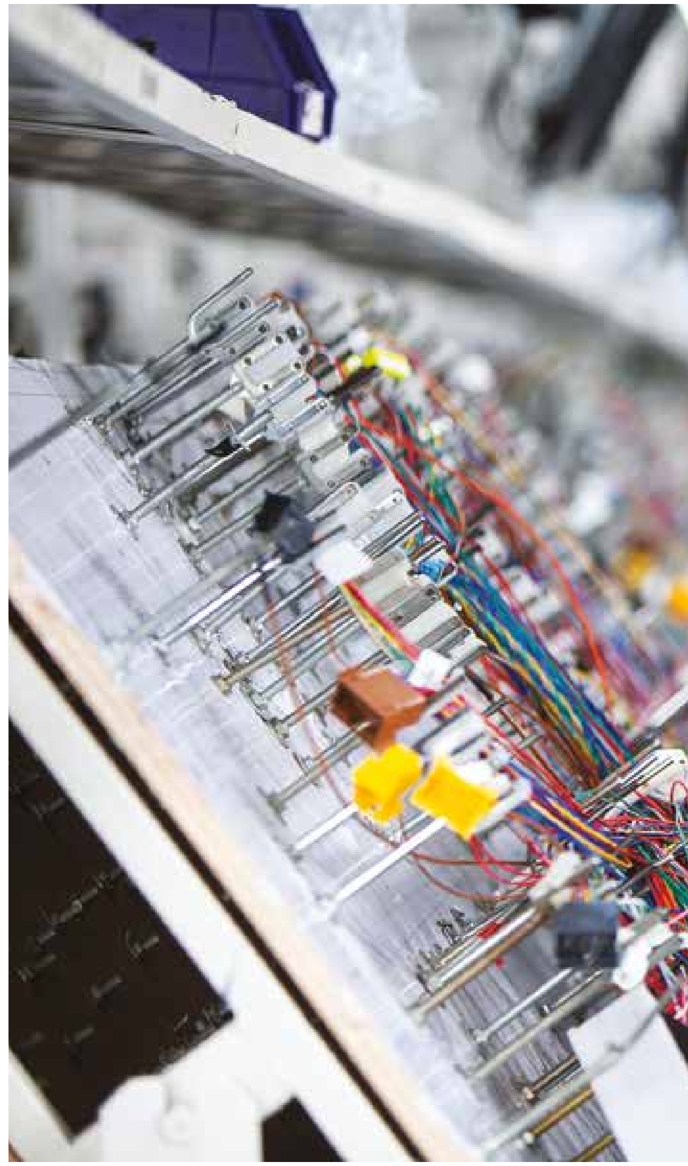
Motherson Sumi Systems Limited (MSSL) is a specialised, full-system solutions provider catering to a diverse range of customers in the automotive and other industries. As the flagship company of the Motherson Group, MSSL operates 230 facilities in 41 countries across five continents, a footprint that provides customers with worldwide product support in the geographies in which MSSL operates. With a strong and evolving product line of wiring harnesses, vision systems, cockpits, bumpers, door trims, and a broad range of other polymer, elastomer, and metal-based products, MSSL offers full-system solutions to its customers. Their commitment to quality translates into increased value for the customer, which in turn fosters trust, long-lasting relationships, and strong financial returns.

MSSL is actively looking towards the future, aiming to further expand and consolidate its global operations. Over the last five years, there have been some significant developments in MSSL's journey. One key development has been the strong organic growth of the company, through the launch of no less than 41 new Greenfield and Brownfield projects across the globe, empowering MSSL with the capability to support its customers across a wide range of geographies.

In terms of inorganic growth, the addition of the PKC Group to MSSL in 2017 resulted in a substantial expansion into the American and European commercial vehicle markets, a segment in which MSSL was not yet strongly represented. This development helped MSSL become a stronger player within the global transportation market, thus creating more value for its customers. This acquisition empowers MSSL's customers with a broader range of solutions and support as well as the benefits of global synergies, vertical integration, innovation and new technologies; it also enables MSSL to establish a stronger global presence.

The acquisition of Bombardier's UK rolling stock electrical component business has helped MSSL to supply electrical and wiring systems to a bigger segment of the rolling stock industry. This has bolstered the confidence of MSSL's partners and customers in the rolling stock business.

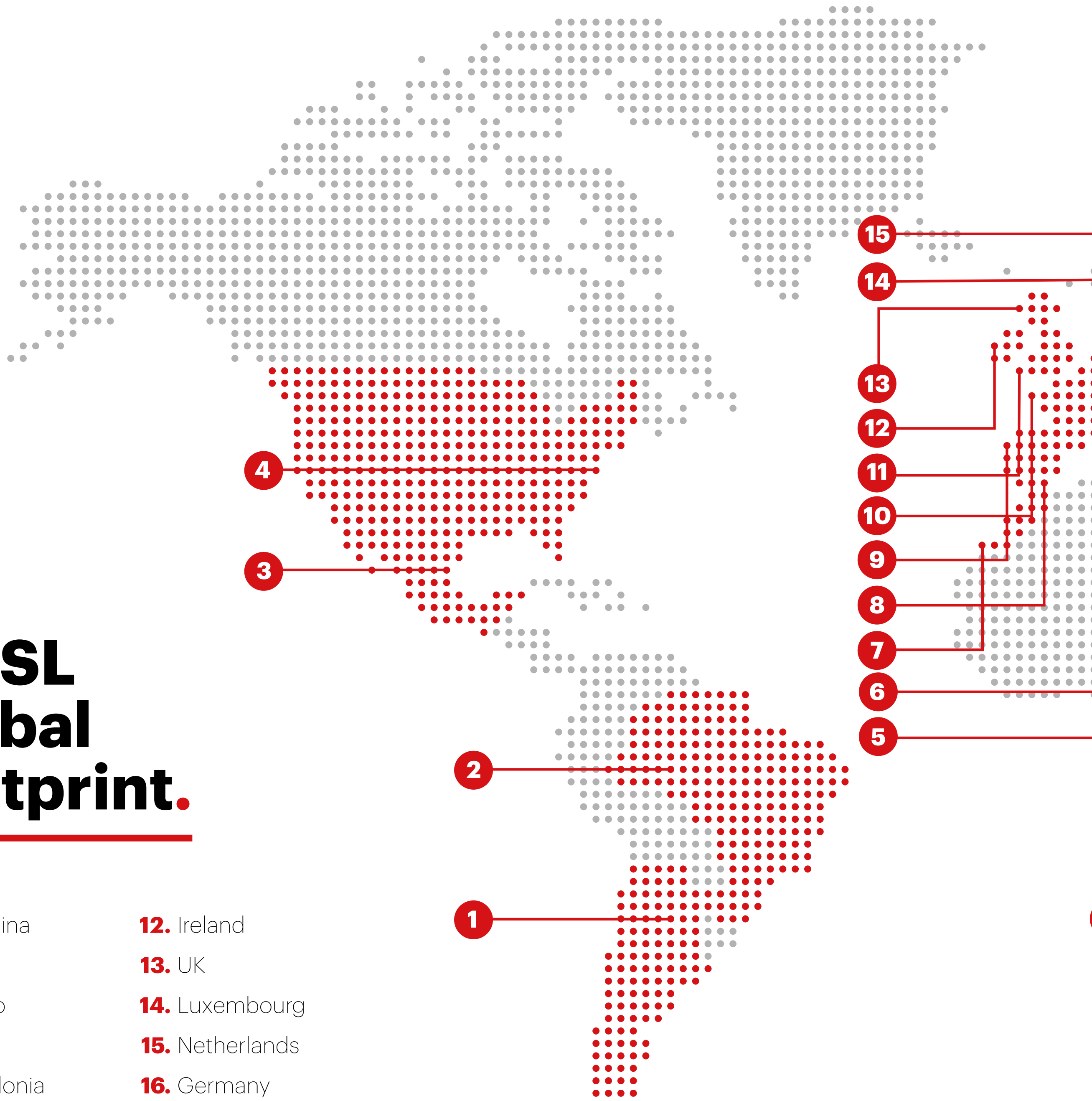
In 2018, MSSL acquired the Reydel Group, subsequently becoming Samvardhana Motherson Reydel Companies (SMRC). The outcome has been very positive: the complementarity of the product lines and an expanded global footprint have resulted in closer



relations with customers, especially with French OEMs, which promises future product development, innovation, and growth.

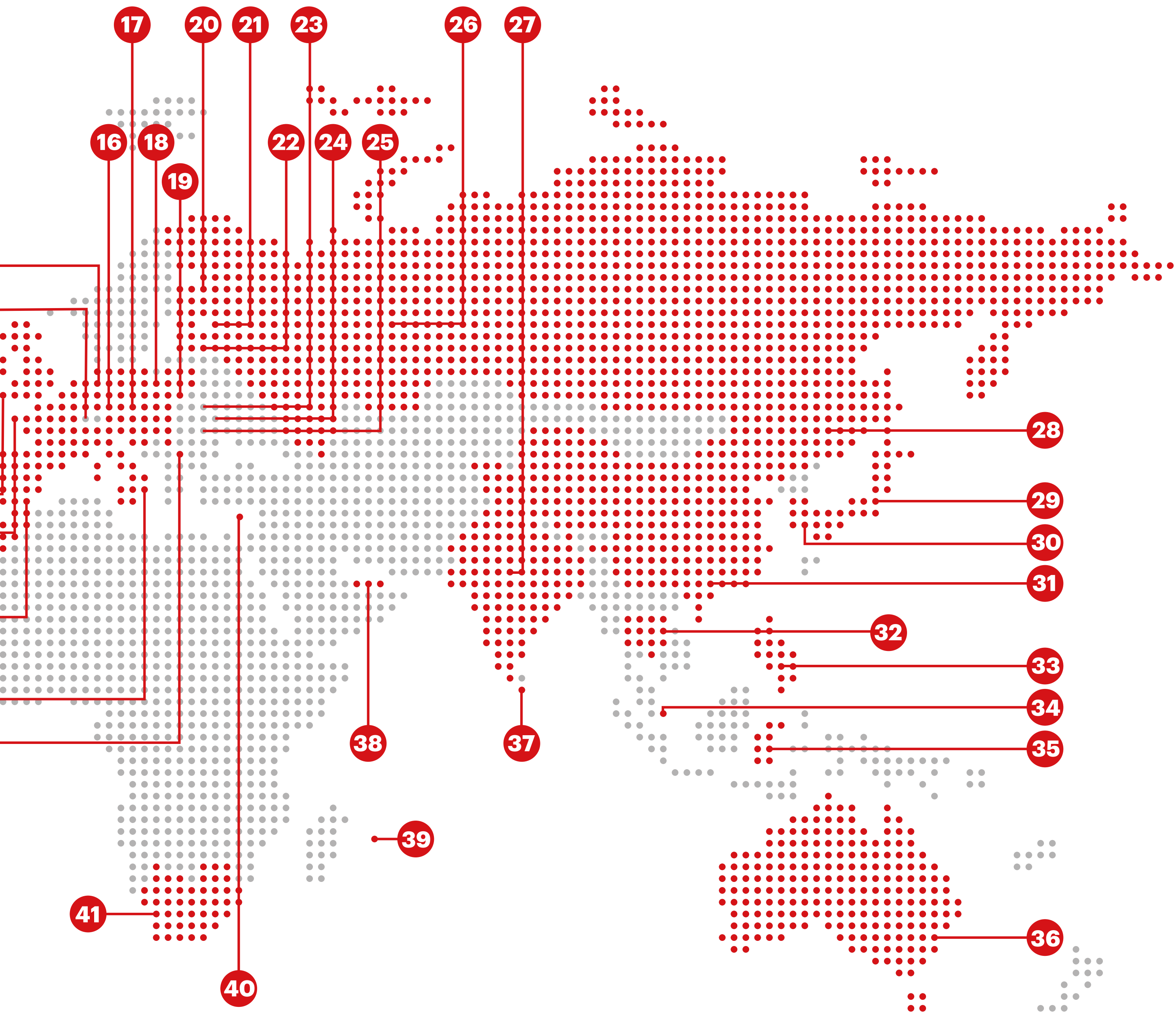
From the shop floor to the boardroom, MSSL's passion is meeting the customers' needs. As part of this commitment, MSSL has adopted a research-oriented approach to developing new and innovative technologies to be introduced in both established and fast-growing markets, making MSSL a leader in the industries in which it operates. The company is also deeply invested in best business practices: by blending design, infrastructure, and technology, MSSL aims to efficiently and sustainably expand its product line and its reach across industries.

With Vision 2025 announced, MSSL will continue to focus on meeting the growing demands of the industry as well as the needs of its customers, investors, employees, and the communities where it operates. MSSL endeavours to be the engine of its own growth towards a sustainable and profitable future.



MSSL global footprint.

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 (SAR of China)

32. Thailand
33. Philippines
34. Singapore
35. Indonesia
36. Australia

37. Sri Lanka
38. UAE
39. Mauritius
40. Cyprus
41. South Africa

Wiring harness.

With a global footprint spread across all continents, MSSL's wiring harness division is serving the entire cross-section of the automobile industry by providing cutting edge Electrical & Electronics Distribution Systems (Wiring harness Systems), related components, and associated design services. Major wiring harness components include ISO/SAE/UL wires, specialised wires and assemblies for multimedia and safety applications, advanced terminal/connection systems, power distribution modules, complex instrument panel assemblies, electrical cabinets and power pack for rolling stock and variety of high voltage solutions for HEV, PHEV and EV.

Background

Motherson Sumi Systems Limited (MSSL) established in 1986, started with the manufacture of electrical distribution systems for automotive and non-automotive applications. Over the decades, the company and its subsidiaries have carved a reputation as a supplier partner of choice amongst customers including all major automotive OEMs globally.

Continuous learning from the customer-centric approach has enabled the division to conceive a forward-looking E/E Architecture to support the increasingly complex needs of modern mobility solutions provided by its customers. The division possesses extensive knowledge and technological capabilities in designing, prototyping and validations of advanced connectivity solutions. The mature practice of developing a digital alternate, effective utilisation of virtual validations before taking up 3D printed prototypes have enabled us to reduce time to market for our customers.

MSSL's world-class manufacturing facilities and state-of-the-art quality lab complements in delivering zero defect consistent quality products to customers. Continuous improvement in processes is what the company strives for, at all times.

The Advanced Engineering team has been developing the digitalisation of the wiring harness manufacturing process targeting zero defect, shorter set up times and reduction in re-work, CAPEX, assembly and test times. Digital assembly boards, colour detection, component presence sensors and on-line work instruction systems are few systems developed to simplify the processes at wiring harness plants.

In-line with the company vision, the division follows the three-pronged sustainable growth strategy which encompasses organic growth, acquisitions and joint venture collaborations.

Organic growth

Development of new and continuous improvement of existing business practices, capabilities and processes to enhance value in the supply chain, fuels our organic growth. To support the business, the division is establishing a new wiring harness plant, Motherson PKC Harness Systems FZ- LLC., at the Ras Al Khaimah Economic Zone. This facility will provide a relatively stable cost structure and further the seamless delivery experience to end customers. The wiring harness division has also expanded its capacity at PKC Serbia targeting future growth.

In the Indian geography, we continue to retain the leadership position in the prevailing volatile and uncertain market conditions. The unwavering trust of our customers won us business in 20 out of 27 new passenger vehicle launches through the year. Further, MSSL has strengthened its foothold in the two-wheeler segment by increasing the share of business with leading bike makers.

Serving a diversified customer base, MSSL acquired new businesses in the off-road segment and in electric vehicles by making low voltage wiring harnesses. Despite the fluctuating market demands, this year the company successfully added a new customer in the off-road segment and two new customers in the tier-1 segment.

We are enjoying growing success in the North American market by increasing our share of business in the commercial vehicle and agricultural market segment. The year ended with the addition of several new customers in existing segments and accolades received from leading commercial vehicle makers for efforts made in design, development and timely delivery of quality products.

In Europe and South America, the division has significant achievements across multiple

Despite the fluctuating market demands, this year the company successfully added a new customer in ***the off-road segment and two new customers in the tier-1 segment.***

sectors. In addition to delivering the highest number of harnesses for trucks, off-road equipment, and tier-1 manufacturers, MSSL also launched high-voltage and RIM harnesses. Basis our quality supplies we were honoured to become a prime supplier of wiring harnesses for a leading South American truck maker. The division started serving the biggest truck maker globally and now is closely working and supporting many of our customers to launch and continue production on major projects.

The APAC region has also seen exciting developments. Bolstered by growing customer confidence and increased demand for orders, we moved to a much larger manufacturing facility of our own in Thailand. Operations in Thailand have repeatedly proven its all-round capabilities by satisfying the needs of a diverse customer base ranging from high-end motorbikes to mining trucks operating in tough underground terrains. MSSL also continues to augment its presence in the Japanese CV market by winning businesses for new models in the conventional and the electric vehicle segment. The company continues to grow and establish an even stronger market share in China as well.

Growth through joint ventures

While treading the organic growth path, the company is aggressively expanding its presence in the Chinese CV market through an adaptive strategy of growth through partnerships. At present, three strategic joint venture partners in China i.e. Hefei Jianghuai Automobile Co Ltd., Hubei Zhengao Auto Accessories Group Co Ltd. and Jiangsu Huakai Wire Harness Co Ltd. are boosting the business growth in APAC region. The China joint ventures are proceeding with the construction of a new wiring harness facility to support new customers, extending the current partnerships as well as winning new engine harness business.

While treading the organic growth path, the company is aggressively expanding its presence in the ***Chinese CV market through an adaptive strategy of growth through partnerships.***

Growth through acquisitions

Global acquisition of strategically aligned businesses has led us to expand our manufacturing base in various geographical locations. We have significantly strengthened our rolling stock segment by acquiring Bombardier Transportation (rolling stock) UK Ltd. This

has strongly increased our presence in Europe's rolling stock sector. The segment has expanded its product portfolio to complete drivers desks and delivering high voltage products for electrical buses, contributing to sustainable transportation. Global growth continues, and we extended the partnership with two major customers in North America, strengthening ATM, which is the division unit in North America. The rolling stock business is also entering the Indian market and MSSL has received the first approvals for production. In essence, the rolling stock segment is strengthening its market position and customer-serving footprint.

Wisetime Ltd., a Finnish software company became part of the Motherson family with PKC Group increasing its stake in the company from 19% to 100%. Along with long-term experience in developing industrial Enterprise Resource Planning (ERP) systems, Wisetime Ltd., enables management of complex operating environments to build and deliver infinite variants of high quality individually tailored products with short delivery time. This acquisition creates great synergies for the companies to work together as one force and seamlessly integrate at an operational and cultural level.

Future-focus and sustainability

All-in-all, the wiring harness division continues to look towards the future, co-creating solutions with customers to fulfill their expectations and adapt rapidly to the dynamic market conditions. Therefore, creating a value proposition for all in the supply chain.

Meeting the needs of the customer is MSSL's highest metric for success. We have received numerous awards from our customers, recognising our efforts to create value for them.

We are also strengthening our efforts to adopt practices that are fiscally, environmentally, and socially responsible. The company is making concerted efforts towards environment conservation and climate protection. It has launched sustainable programs for water conservation and harvesting, energy management and climate protection to fulfill its commitment of being responsible corporate citizens. Through Greenfield projects, cross-border collaborations and global expansion, MSSL is striving to make a positive impact on the present while preparing a business model for the future, founded on sustainability, environmental stewardship and social consciousness.

Modules & Polymer Products.

The Modules and Polymer Products division is a leading expert and Tier-1 supplier of high-quality interior and exterior components for carmakers around the world. It is the largest business line within MSSL.

MSSL is one of the world's largest manufacturers of interior and exterior components from simple plastic parts and mechanical assemblies to highly integrated modules for all types of vehicles from small cars to luxury cars, commercial vehicles and large trucks. With its broad multi-market expertise as one of the leading suppliers in Germany, Spain, France, India and many other automotive regions in North America, South America, Europe and Asia, Motherson is able to offer competitive full system solutions catering to virtually all customer requirements.

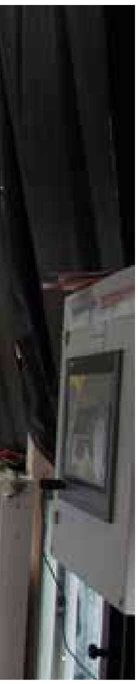
MSSL's Modules and Polymer Products division aims to serve its broad customer base from the ground up, starting with in-house development and production of polymer compounds. These compounds are transformed into an extensive line of high-quality products, including cockpits, instrument-panel and door-trim modules, decorative interior and exterior parts, bumper fascias, front-end modules, door handles, roof rails, lighting products and plastic body parts. The division also has fully equipped tooling experts for in-house production and maintenance of manufacturing equipment.

Joint ventures have been formed with Blanos Participaciones SL (Spain), Eissmann Automotive Slovensko s.r.o (Slovakia), and Changshu Automotive Trim Co. Ltd (China) to complement the division with product and geography-specific expertise.

Background

The Modules and Polymer Products division is represented by a group of companies, which originate from different geographies with complementing product, technology and customer portfolios.

Initially, MSSL's polymer division started as MATE with a niche presence in India. The company's strong focus on maximizing product offerings to carmakers across India was the base for its strong development in becoming one of the largest suppliers of moulded parts, assemblies, and modules for the Indian automotive industry. After reaching out to new geographies in South Africa, Germany, and the Czech Republic, MSSL's polymer product division significantly increased its footprint and size in 2011 by acquiring the Germany headquartered Peguform, a global expert in interior and exterior modules, and again in 2018 by acquiring Reydel, a global specialist in interiors. Since then the division is operating its state-of-the-art facilities around the globe in 24 countries.



Strong growth in this 5-year plan

In this 5-year plan, the division has expanded into 11 additional countries and added 35 manufacturing facilities to support customers. The division more than doubled its revenues since 2015, through organic and inorganic growth. To support its organic growth, the division opened many new Greenfield plants and Brownfield extensions, to provide customers where they needed MSSL's support.

The acquisition of the France headquartered Reydel Group in April 2018, which became Samvardhana Motherson Reydel Companies (SMRC), was a big step forward.

The integration of that global company helped to significantly balance MSSL's customer and product portfolio and geographic positioning, thus contributing to MSSL's 3CX15 principles. Reydel's acquisition added footprint in as many as eight new countries to the business division, including France, Morocco, South Korea, Argentina, Thailand, Indonesia, Philippines, Croatia and Russia. The integration of SMRC offers MSSL multiple synergies, based on the fact that the activities on both ends complement and overlap at the same time. SMRC's strength in medium price and mass market segments perfectly bridges MSSLs strong market positions in premium and entry level segments. A division-wide integration project "Symbiosis" had been established during the acquisition, which is until today focusing on the identification and exploitation of financial, operational and strategic options across the companies in the division.

MSSL's organic growth was by a large extent driven by the division's significant business expansion of interior and exterior products for a German car maker in the premium brand segment, which MSSL has a long supply tradition with. Significant order volume increase was the base for the establishment of new facilities in Germany, USA, Hungary and China for the supply of high-quality products for the customer, which is now the division's second-largest customer (by vehicle brand) of MSSL. The new orders, for which all production programs have started in the past 3 years, have thus also lead to a signification improvement of our strategic 3CX15 positioning. The operational challenges in the new established facilities in Alabama, USA, were addressed by a taskforce formed by experts of MSSL and the locally served customer. Significant improvement steps had been implemented in the past fiscal year.

In this 5-year plan, the division has ***expanded into 11 additional countries and added 35 manufacturing facilities to support customers.***

The division's latest Greenfield expansion in China is related to MSSL's increase of interior business with another German carmaker in the premium segment. With this footprint expansion, MSSL is now present with three specialised facilities for interior and exterior modules in three of the four largest automotive cluster regions in China.

Improving efficiencies and strengthening synergies

To integrate SMRC into the division and maximise synergies, a program called Project 'Symbiosis' was launched. Project Symbiosis has led to many improvements and cost reductions, covering areas including:

- Awarding of tooling, equipment and production businesses from group companies to SMRC and vice-versa.
- Direct material procurement (e.g. on resin and paint prices)
- Implementation of factoring lines in France and Brazil
- Research & Innovation collaboration and synergies
- Corporate Identity and global apps and IT integration

The division has also launched several productivity improvement initiatives, to boost operational performance. For example, in 2017-18 it installed global technology expert centres creating standards and guidelines as well as a regional organisation in all continents to implement standards and guidelines. In 2018-19, SMP opened a new project and technology centre at Neustadt, to bring product development support for its customers to a new level.

The division was proud to receive major customer awards, among others ***the Volkswagen Group Supplier Award 2015, the Toyota Global Award 2015 and the Volkswagen Group Award 2017***

In addition, SMP launched the 'Factory Analytics Solutions' software system that allows plant management to monitor and improve operations performance in near real-time from remote locations.

Expansion across product segments

MSSL extends the range of industries it serves by venturing into the production of parts for the consumer goods industry. Another important step was its moving towards a vertical integration with PKC for wiring harnesses.

In the course of this 5-year plan, the Modules and Polymer Products division has strengthened its position in all major automotive segments.

In the premium segment, we have expanded our footprint and released significant organic growth, supported by strong innovation in the major product categories of instrument panels, bumpers and door panels, such as light weight technologies and sustainable material substitutes. The Elastomer product category became a major supplier for sun roof drain hoses for one of the premium global car makers, which was an important step.

In the medium car segment, the Reydel acquisition has strengthened our business with French OEMs and has expanded our global reach across our major product categories. In the medium segment, we have also released new synergies and solutions for customers by technology transfers within the division, between the companies and from one geography to another, such as for decorative in-mold surface moulding. In addition, the division has further expanded its support to electric vehicle programs, delivering a broad range of products - from bumpers for economically priced entry models to entire instrument panels and centre consoles.

In the commercial vehicle and truck segments, the division has evolved to a complete interiors and exteriors portfolio covering instrument panels, door panels, elastomer parts and other interior and exterior parts. The division has seen strong new customer orders over the course of this 5-year plan in Europe and Asia. Finally, the division is proud to receive major customer

awards consistently over the years in various parameters, among others the Volkswagen Group Supplier Award 2015, the Toyota Global Award 2015 for regional contributions and the Volkswagen Group Award 2017 for Innovation and Technology. The division was very happy to receive further customer awards in all categories of QCDDMSES, including for safety.

Elastomer processing

MSSL has always prioritised creating value for its customers through its steadfast commitment to investments in new technologies. MSSL's elastomer line supports its customers with a wide range of state-of-the-art full-system solutions in rubber moulding, rubber extrusion, rubber compounding, rubber to plastic, and rubber to metal bonded and assembled technologies.

The Elastomer range offers customers' high quality, durable components that incorporate the latest technological advances. The product range includes door grommets, pads and bushes, gaskets and O-rings, NVH components, vibration mounts, suspension bushes, rubber to metal bonded parts, large engine gaskets, rubber to plastic bonded parts, reinforced hoses, drain tubes, fuel hoses, engine cooling hoses, extruded rubber profiles, weather strips, glass run, boot and hood seals, calendared sheets. The vertical strives for continual improvement and innovation in its products in order to meet its customers' changing needs.

The services offered by the elastomer line makes it a complete solutions provider, from components designing to serial deliveries including validation, for various applications in automotive, medical, industrial, railways and home appliances. It has the capability to produce black and coloured compounds for specific requirements. In addition, the division has strong expertise in the manufacturing of rubber compounds, moulded rubber parts, extruded profile and hoses, calendaring sheets, rubber to plastic, rubber to metal, and TPE / TPR / TPV components. Different manufacturing processes are under one roof for the elastomer line which includes automatic compound mixing, closed loop rubber injection moulding machines, fully electric plastic moulding machines, microwave extrusion lines, hoses extrusion lines with autoclave, cryogenic deflashing, ultrasonic cleaning system, clean room, assembly equipment etc.

Over 19,000 formulas are offered for a wide range of applications, including 15 different polymers which creates strong capabilities in developing rubber compounds. The plants in India (Chennai and Noida) and the facilities in Australia have state-of-the-art moulding and extrusion setups with world-class, fully automated rubber compounding facilities. Apart from striving for technological excellence, the elastomer line of MSSL believes in a result-oriented approach and contributes to its customers' success by consistently delivering the right parts on time, which has in turn resulted in many long-term customer relationships built on trust.

Some interesting achievements include developing a sensor cleaning hose set for one of our customer's electric vehicle, developing and manufacturing engine cooling hoses for trucks and battery gaskets with aluminium inserts for another electric vehicle. Rubber to metal bonded dynamic application parts were developed for the first time for ISRO (Indian Space Research Organization), which help in guiding a space satellite. After having built a strong presence in Asia, Australia and Europe, the Elastomer division is now expanding to the USA.

Vision Systems.

MSSL's Vision Systems division is one of the world's leading suppliers of rear vision systems for the automotive industry. The division develops and produces rearview mirror systems for passenger cars and light commercial vehicles and is a pioneer in camera systems with high-performance image processing technology for automotive applications. The division has a well-balanced global manufacturing footprint spread across all major geographies serving nearly every large vehicle manufacturer in North and South America, Europe and Asia.

Background

MSSL's global expansion took a giant leap in 2009 with the acquisition of Visiocorp's rearview mirror business, which doubled the size of MSSL. This formed the Vision Systems division of MSSL which currently has its manufacturing facilities, engineering centres and marketing offices spread across 15 countries.

The division supplies all categories of automotive mirror applications, from basic full plastic types to high-value exterior and interior mirrors with multiple integrated electronic features and aesthetic surfaces, as well as high-performance rearview camera monitoring systems. Over the years, the division has built a strong vertical integration to build critical components for sub-assemblies integrated into rearview mirrors, such as reflector glass modules, light units, electric drive units, camera modules, and electronic control units. With its varied capabilities, the Vision Systems division has emerged as a full system solutions provider to its customers and is well placed to design, develop and produce for their global programmes.

The division is focused on innovative technologies, always taking into consideration the present and future requirements of its customers. This has led to the roll-out of numerous new products and technologies into the market. MSSL was the very first company to introduce exterior mirrors with integrated turn signals. In its list of innovations is the logo lamps in the mirror, which is now an added feature in many vehicle segments. Other innovations include electrically extendable mirrors for commercial vehicles and intelligent camera-assisted blind-spot detection system using image processing technology for detecting surrounding vehicles. Vision Systems division continues to add value to the supply chain through its innovations and remains focused on adding content per car to chart its growth path.

Strong value in this 5-year plan

During the 2015-2020 5-year plan, the Vision Systems division continued expanding its operations globally to cater to customer requirements. This expansion includes setting up of new, state-of-the-art plants as well as adding capacity and capabilities to its existing facilities. This has made a significant contribution to the overall MSSL objective of 3CX15 as part of Vision 2020.

MSSL believes in following its customers and serving them locally. Facilities have been established in major automotive hubs across the globe, to function effectively. The division has invested in ramping-up the utilisation of recently added capacities and adding new facilities in some of the largest automotive cluster regions, for example in Hungary (Turkeve), USA (Michigan), China (Yancheng and Xizhou), South Korea (Bupyeong) and India (Noida and Chennai). Also, in order to retain our leadership position in quality with our customers, the division has made major investments for upgrade of paint shops in its facilities in Mexico, China, Hungary and India. These facilities are equipped with the latest robot technology, allowing to paint modern, more complex mirror geometries at better quality standards.

The division also established a representative office in Russia, to provide support to its customers in the region. In addition, it has rebuilt its technical centre in the Seoul region in South Korea, enabling better and more efficient engineering support for its customers in the country.

To maintain its cost leadership and to have stronger control over quality performance, the company has made further investments in expanding its vertical integration by manufacturing in-house light units, powerfolds and glass actuators in Asia.

The division has engineering centres spread globally which are close to customer design homerooms that help in collaborating effectively with customers for successful program developments, right from the initial stages to the final launch. With customers focusing on speed to market, the Vision Systems division today is the preferred supplier when it comes to projects requiring speedy, reliable and timely delivery.

New products and customer recognitions

MSSL's Vision Systems division has been making sizable investments in developing the technology for Camera Monitoring System (CMS) which will help vehicle manufacturers to offer to the customers' solutions which bring significant improvement in image quality during varying driving conditions and a host of intelligent and driver-assist features which are not possible on conventional mirrors. In a major advancement in this direction, MSSL started supplies of its first serial production rearview Camera Monitoring System (CMS) for a European OEM. MSSL has also won another large CMS contract for a commercial vehicle which is currently under development and is expected to be the first of its kind in the market.

In the conventional mirror space also, the division has launched a revolutionary mirror design called as "EcoMirror" which is already in mass production for several programmes and is rapidly gaining popularity with many OEMs who are now engaged with the division to develop similar products for their upcoming models. Our EcoMirror design significantly reduces the effect of drag on the vehicle, resulting in lower CO2 emission levels, and is, therefore, an ideal solution for electric vehicles in passenger and sports car segments.

Customer satisfaction has always been the greatest priority for the division and all its strategies are invariably directed towards maintaining the highest level of service to all its customers on the parameters of Quality, Cost, Delivery, Development, Management, Safety, Environment and Sustainability (QCDDMSES). It is this endless pursuit of excellence in our performance that has nurtured our long-standing relationship with our customers and has helped us earn their trust and confidence. The numerous awards and recognitions that the division has received from various customers across the geographies bear testimony to the appreciation that division receives for its performance from its highly valued customers.

Improving efficiencies and strengthening synergies

MSSL's Vision Systems division has maintained a very strong focus on operational excellence and has been spearheading numerous projects on streamlining of operations, upgrading of manufacturing facilities, removing of inefficiencies from the system

The division has also realised strong growth in China, establishing ***production facilities in four of the largest automotive cluster regions.***

and enhancing vertical integration. There has also been a strong focus on rationalisation of cost, automation and standardisation of work through deployment of latest IT tools, sharing of best practices and know-how between plants in real-time and optimum utilization of capital employed and resources available. These efforts have helped the division achieve significant improvements in operating cash flows and also in lower capital employed.

With these improvements the division achieved a ROCE performance of 42.9% for 2019-20, living up to the 5-year business plan objective set by MSSL.

Contributions towards sustainability

At the Vision Systems division, every employee globally is involved and committed to achieving the highest levels of customer satisfaction, environmental protection, and ethical responsibility within a healthy and safe work environment through the policies, principles, standards and systems formulated and followed by the division.

Providing a safe, productive and value-based workplace for our employees is a top priority for the division. The division has put a strong focus on employee engagement, which is quantified for assessment and further improvements. This disciplined approach towards employee growth and development spans the entire division. Over the past five years, multiple members of Vision Systems leadership have pursued growth opportunities in taking leadership positions in other divisions within Motherson. Additionally, plant level HR teams have won several external industry awards for excellence in employee development. Two of our European HR teams have won the top national HR awards for their efforts in mentoring key talents in their unit.

The division has received numerous customer ***awards, during this 5-year plan, across the different parameters of QCDDSMES.***

In 2019-2020 a key decision was taken to further improve the way the division measures and acts upon its commitment to environmental and sustainability compliance and improvements. We have introduced standardised definitions and common reporting for four key environmental aspects which will be measured homogeneously across all operations. These cover electricity, water, and gas consumptions as ratios of sales revenue and the generation of greenhouse gasses using tons of carbon dioxide equivalents. These changes give us a measurable, comparable and clear standpoint, allowing the identification and sharing of best practices among our manufacturing plants in the pursuit of a more sustainable future for both MSSL and the communities, around the globe, where we have a presence.

The Vision Systems division also maintains a focus on corporate social responsibility initiatives, which have resulted in recurring company-sponsored volunteering events focused on the environment and community service. We also focus on fostering work experiences for students in local secondary and tertiary institutions, along with the local community support and relief initiatives for groups facing disadvantage or challenges within the communities, wherein we have operations.

Metal Products.

The MSSL Metal Products division offers a wide range of state-of-the-art products in precision metal-machined parts, metal turning and plastic metal combined parts for the global automotive industry and other industries including scientific and engineering applications. Meeting customer expectations is at the heart of MSSL's mission, and we have cultivated in-house design and development expertise in order to provide our customers with solutions tailored to their needs.

The facility in Bengaluru has recently been accredited to manufacture precision machined parts for the Aerospace industry. Moreover, the facility has started working for a global designer and manufacturer of cable and antenna systems as well as active and passive RF conditioning modules. In addition, the facility has invested in new machines for Sleeve and Spool Project and is producing very high precision valve assembly parts for steering units, for off-highway vehicles.

*The facility in Bengaluru has recently been accredited to **manufacture precision machined parts for the Aerospace industry.***

MSSL also offers its customers top-quality turning operations for high-precision parts and critical-application metal components. As a part of its customer-centric approach, MSSL uses the most advanced CNC machines and other special-purpose equipment to manufacture highly customised products that incorporate the latest technological innovations, which both generate value for and build trust among our customers. The vertical operates facilities in India, Germany and Mexico.

In line with its sustainability plans, MSSL Bengaluru has begun adding mist collectors to some of its machines, has removed louvers and installed mesh and exhaust fans to reduce shop floor temperature, and has installed oil skimmers used in coolant tanks, to avoid oil wastage.

Sustainability **at Motherson.**

On a global basis, climate change and sustainability are issues of increasing awareness regarding their significance to us all, the potential implications and the momentum of action required to address the situation. There is inevitably variation in the attention being given to this across different countries and regions of the world, however the growing relevance for the industries in which Motherson works and to all its stakeholders is clear.

Sustainability has a broad context where the social, environmental and economic factors are together forming the overall approach of how companies can evaluate the impact they have, both positive and negative. In recent times the Coronavirus pandemic has caused dramatic disruption in all aspects of life and continues to have effects now and most likely into the future. This brings a far greater emphasis and awareness of the immediate implications to social and economic sustainability which must continue to be balanced with the ongoing need to address climate change and environmental responsibility.

The United Nations Sustainable Development Goals provide guidance in all aspects of sustainability and, as a reference point, can form the backbone of the overall objectives that everyone needs to be working towards.

Striving to be a sustainable solutions provider

At Motherson we continually aim to be the 'customers' preferred solutions provider' and to achieve this we ensure that the global consumer and market trends are understood as these ultimately shape the overall strategic direction of the industries we work in. In recent times there has been a notable shift in the priorities of our customers towards greater sustainability, in particular the environmental factors and the goal of increased economic circularity built on the foundations of good corporate and social responsibility.

Many customers are now considering sustainability factors as a key criteria in supplier rating and as a long term perspective on competitive sourcing and partnering. We will continually seek to ensure that our priorities are aligned and therefore be able to meet their needs into the future.

Sustainable investment

The emphasis on sustainable and ethical investment in the financial communities is also of growing importance, the need for standardisation in the reporting and transparency in understanding the progress being made in this respect within the global manufacturing

2

3

1

1. Rooftop solar panels used in plants as a renewable energy source that significantly reduces energy consumption. This photo is from the MSSL plant in Noida, India.
2. Our energy facility in Neustadt, Germany helps cool the plant's machines in the summer and generates heat in the winter, supporting the environment and the bottom-line.
3. Planting trees outside the PKC plant in Panevezys, Lithuania

industries is a key consideration. Investors and global credit rating organisations are looking for more detailed information on the full scope of sustainability in addition to the company's economic performance to support ethical investment decision making.

In view of this the relevance of some existing frameworks such as the Global Reporting Initiative (GRI) and the existing assessment methodologies from global ratings agencies are under review to establish the most effective way forward in reporting the ongoing sustainability actions at Motherson along with our global economic performance.

Sustainability as a key performance indicator

The commitments made across our group and the initiatives already in progress to best serve the needs of our customers, employees, investors and the wider societies in which we operate, will make a significant difference in the future.

Within our operations, the foundations are already in place as part of the daily working life and we are committed to continuous improvement in everything we do. The guiding principles and philosophies within the DNA of Motherson and our Key Performance Indicators (KPIs) applied across all our companies of QCDDMSES (Quality, Cost, Development, Delivery, Management, Safety, Environment and Sustainability), set the standards we continually strive to uphold. The scope of these KPIs are re-evaluated as the main factors of measurement and internal tracking evolve to ensure sustainability is present throughout the entire supply/value chain.

While the journey towards an increasingly consistent approach is in progress, effective knowledge sharing and collaboration across our group helps to stimulate ideas and drive continuous improvement. The introduction and wider use of digital tools is something that has accelerated through the circumstances the world has been enduring due to the Corona virus. This has resulted in improved ongoing working practices that will continue to provide both environmental and commercial benefits into the future.

Energy and water consumption and the ability to understand the details behind this in our facilities together with the level of renewable energy that can be utilised are common factors under review in locations. Efficiency targets form part of the management commitment to environmental footprint reduction and sustainability in the communities we are part of.

Driving sustainability through innovation

Innovative solutions in both our products and processes are a key element of improving sustainability. One such example in our wiring harness manufacturing process is the digitalisation of the assembly boards, reducing set up times, rework and material scrap while completely removing the need for printed manuals and instructions.

In recent times there has been a notable shift in the priorities of our customers toward greater sustainability, in particular ***the environmental factors and the goal of increased economic circularity.***

PKC Group using digital boards at their plant in Starachowice, Poland that help in producing a huge variety of wiring harnesses in one place without the need for constant changeovers. Assembly plans for the wiring harness are displayed on monitors instead of using plans printed on paper.

Other examples in our products include the application of light-weight design techniques to our vehicle interior modules such as instrument panels and our new Eco-mirror which also provides improved vehicle aero dynamics. Applying the principles of Recover, Recycle and Re-use with new solutions for materials and waste is helping us to move progressively closer to the potential for a circular economy.

Open innovation at Motherson is also playing a part in the overall strategy by connecting an eco-system of start-ups and their technology in the fields of both process and product sustainability. In many cases this can be done in direct cooperation with a customer allowing for a much clearer understanding of the true potential.

New developments in the field of natural materials are opening the way to bring more sustainable and environmentally sensitive product solutions to market in line with the evolving consumer or end user expectations.

Innovative new techniques such as block chain can also be applied to help with a better understanding of environmental footprint in manufacturing and the supply chain. While this has some way to go and there are varying opinions about how best this should be executed, close dialogue with customers is in progress.

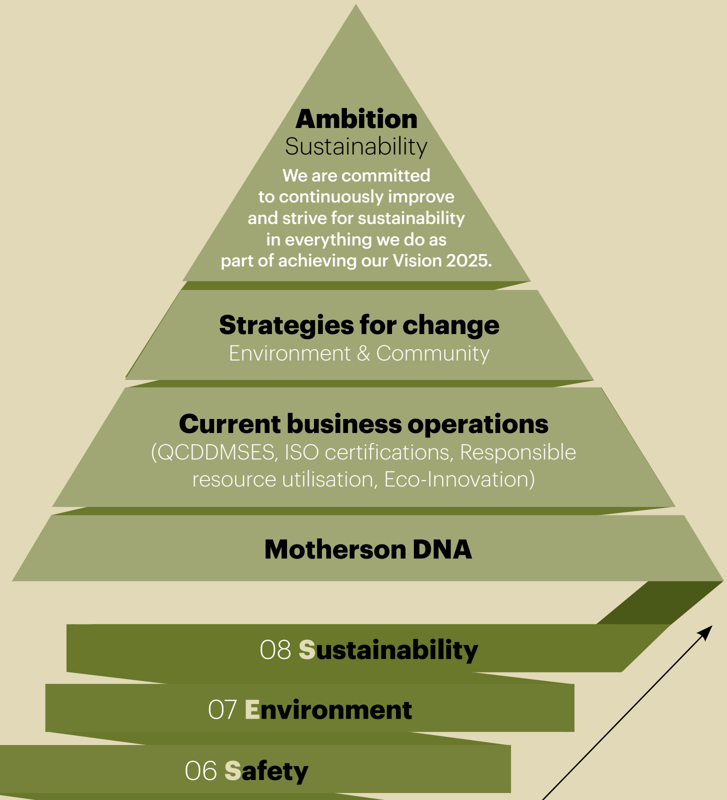
Sustainability in our daily lives

In summary, for Motherson sustainability is an integral aspect of our daily lives. Our global code of conduct is signed into as a commitment by all our employees to uphold the principles and seek to raise the standards we set for ourselves in serving the best interest of all our stakeholders.

We intend to publish a group-wide Sustainability Statement very soon that explores a wide scope of topics covering the progressive approach to the goals we are setting and their realisation. Being a trusted partner both now and in the years to come goes far beyond just commercial enterprise. Together we are committed to continuous improvement and strive for sustainability in everything we do.

Sustainability at Motherson **for Vision 2025.**

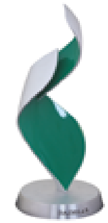
A strong sustainability culture has always been part of Motherson. In our value chakra, our focus on QCDDMSES helps us deliver the performance to our customers that earns their trust and brings us closer to being a globally preferred solutions provider. The "S" of Sustainability has always been a part of that. The Motherson DNA forms the foundation of the group's values-based culture and strategy. We are committed to further our engagement on the economic, social and environmental dimensions. We seek to raise the standards we set for ourselves in serving the best interest of all our stakeholders.



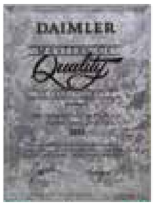
Together we are committed to continuously improve and strive ***for sustainability in everything we do as part of achieving our Vision 2025.***

Awards and recognitions.

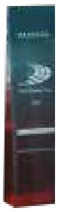
Daimler



Supplier Award
(Wiring Harness)



Masters of Quality
Supplier Award
(Wiring Harness)



Best Quality Supplier
Zero PPM
(Wiring Harness)

Jaguar Land Rover

Quality Excellence
(Vision Systems)

Renault Nissan

Quality & Customer
Satisfaction
(Wiring Harness)

Toyota

Zero Defect Supplies
Zero PPM
(Wiring Harness)

Achieving Targets
Delivery
(Wiring Harness)

Achieving Targets
Quality
(Wiring Harness)

Zero Defect Supplies
Zero PPM
(Vision Systems)

Achieving Targets
Quality
(Vision Systems)

Toyota

Achieving Targets
Delivery
(Vision Systems)

Quality Performance Award
(Vision Systems)

Achieving Targets
Quality
(Modules & Polymer)

Achieving Targets
Delivery
(Modules & Polymer)

Special Recognition for
Energy Reduction
(Modules & Polymer)

Honda

Kaizen Award
Productivity Category
(Wiring Harness)

Customer Satisfaction
and Quality
(Wiring Harness)

Certificate of Appreciation
(Vision Systems)

Certificate of Excellence
Quality, Cost & Delivery
(Vision Systems)

SAIC GM

SGM Built in Quality
(Vision Systems)

Hyundai

Quality 5 Star
(Vision Systems)

New Product
Development
(Vision Systems)

General Motors

Supplier of The Year
(Vision Systems)

Recognition for
Program Development
(Modules & Polymer)

Nissan

Mexicana Supplier Quality
(Vision Systems)

Volvo

VQE Quality Excellence
(Vision Systems)

JAC Group

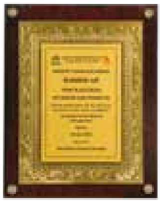
Best Quality
Contribution Award
(Wiring Harness)

Navistar

Diamond Supplier Award
(Wiring Harness)

Tata Motors

Quality Improvement
for Proto Supplies
(Wiring Harness)



Energy Champion Award
(Wiring Harness)

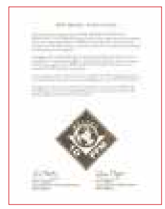
Awards and recognitions.

MCI

Silver Perfoming Award
(Wiring Harness)

Paccar

SPM Leaders Award
(Wiring Harness)



Quality Achievement
(Wiring Harness)

SPM Masters Award
(Wiring Harness)

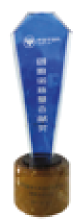
New Supplier Recognition
(Modules & Polymer)

Foton Group

Quality Gold Award
(Wiring Harness)

Excellence Partner Award
(Wiring Harness)

Best Quality Award
(Wiring Harness)



Best Quality Contribution
(Wiring Harness)

SAIC Maxus

Best Supplier Award
(Wiring Harness)

JMC Group

Excellence Development
Partner Award
(Wiring Harness)

Ashok Leyland

Best Supplier Award
(Wiring Harness)

Best Poka Yoke
(Wiring Harness)

Volvo Eicher

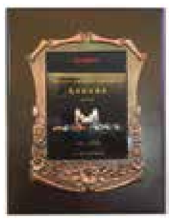
Best Supplier
New Product Development
(Wiring Harness)

John Deere

Achieving Excellence
Partner-Level Recognition
(Wiring Harness)

Sany Group

Best Supplier Award
(Wiring Harness)



Excellent Supplier Award
(Wiring Harness)

Dongfeng

Brilliant Contribution Award
(Wiring Harness)

JCB

NQCRPM Award
(Wiring Harness)

Komatsu

Best in Delivery
(Wiring Harness)

Caterpillar

Bronze Level in Supplier
Quality Excellence Process
(Wiring Harness)

TAFE

Best Benchmark
Quality Award
(Wiring Harness)

SAME India

Best in VAVE Performance
(Wiring Harness)

Kobelco

Preferred Business Partner
(Wiring Harness)

CNH Industrial

Super Award for VAVE
(Wiring Harness)

Bombardier

Diamond Supplier Award
(Wiring Harness)

Alstom

Supply Chain
Performance Award
(Wiring Harness)

Honda Motorcycle

Strong CR Efforts
in Localization
(Wiring Harness)

Honda Siel

Supplier Performance
(Wiring Harness)

Awards and recognitions.

Institutional awards.

SPE Automotive

Automotive Award
Part and Components
(Modules & Polymer)

China Auto Parts & Accessories Corp

Executive Director Unit
(Wiring Harness)

Outstanding Enterprise
Award
(Wiring Harness)

China's Automobile Service Industry

Best 10 Enterprise Award
(Wiring Harness)

The Motherson Group.

Since its founding in 1975, the Motherson Group has evolved into one of the world's leading automotive component manufacturers for OEMs. Today the company is ranked 22nd in the list of the world's largest automotive component suppliers. Motherson has become a large and diverse family of companies with 270+ facilities in 41 countries across five continents. Yet at our core is the idea of "e pluribus unum" – out of many, one. To honour and express this unity, Motherson Group is now united under one name (Motherson Group), one logo, and one vision.

Motherson operates through nine business divisions, which continue to grow stronger and become more diverse, thanks to the support of its customers. These divisions are: Wiring Harness, Vision Systems, Modules & Polymer Products, Metal Products, Technology & Software, Retail & Services, Aerospace, Logistics, and Health & Medical Devices. Together, these business divisions help Motherson move closer towards its vision of being a globally preferred solutions provider.

Motherson constantly innovates while incorporating the latest technological advances into its offerings, to provide customers with world-class, cutting-edge solutions. Moreover, Motherson supports customers from conceptualisation and design to production, assembly, and delivery, making it a full system solutions provider to them.

The efforts of its teams in serving the customers are reflected in the company's success over the past five years. In 2019-20, the group recorded a turnover of USD 11.2 billion. This brings the CAGR of revenues since FY 2014-15 until FY 2019-20 to 22.3%. Over this period, the number of countries in which Motherson is present grew from 25 to 41. The number of facilities from which Motherson serves its customers increased to over 270. Acquisitions have brought new companies into the portfolio, adding valuable new products, technologies and geographical locations for our customers.

Motherson aims to grow in the non-automotive sectors in which it has recently forayed (Aerospace, Logistics, Health & Medical). The overall growth will happen in a fiscally, socially, and environmentally sustainable manner. Thus, the vision of Motherson for the future includes continuing to create outstanding value for its customers, employees and investors, while also being a positive influence in communities, by operating through responsible business practices.

Motherson aims to grow in the non-automotive sectors in which it has recently forayed (Aerospace, Logistics, Health & Medical). ***The overall growth will happen in a fiscally, socially, and environmentally sustainable manner.***

2019-2020 **Business Portfolio.**

Since 1975, the Motherson Group has been providing its customers with full-system solutions across a range of industries, from automotive products to logistics to aerospace and health & medical. With 270+ facilities in 41 countries across five continents, the company is capable of providing its customers with truly global support. The group is also proud to be part of all points of a customer's journey, from product design to engineering and prototyping to manufacturing and delivery. The ability of Motherson to offer its clients truly comprehensive solutions owes in part to our wide range of products and services.

01.

Wiring Harness

The wiring harness division of Motherson is a full service system supplier with complete in-house design, development and manufacturing capability. It is one of the most vertically integrated business divisions with a product range that promotes technological advancement across both the automotive and non-automotive sectors that it supplies to.

02.

Vision Systems

Motherson is one of the leading global suppliers of vision systems to the automotive industry and the product range includes interior mirrors, exterior mirrors and camera-based detection which it supplies to almost all major OEMs. Vision Systems is aided by strong vertical integration and provides full-service solutions to its customers.

03.

Modules & Polymer Products

The division encompasses the largest business line in Motherson. It develops and produces a highly diversified product range from simple plastic parts to highly integrated systems and modules, supplying to OEMs globally. The group also exhibits capabilities in mould design, tooling and elastomer processing.

04.

Technology & Software

The division focuses on technology and innovations and sustains the digital foundation of the group's global operations. It also caters to external clients from different industries globally. This division thinks beyond the current capabilities and has a futuristic approach in understanding industry trends and providing solutions.

05.

Metal Products

The division offers an array of products like cutting and gear cutting tools, cabins for off-highway vehicles, HVAC systems, shock absorbers, metal components and assemblies with varied technologies, sheet metal parts, clutches for car AC compressors as well as coating services to a wide spectrum of industries.

06.

Retail & Services

The division consists of a wide spectrum of businesses that do business through direct channels like B2B supply, utilising distributor networks and engaging in direct sales and services to the end customers. Most products and services of this division directly support the manufacturing operations of customers.

07.

Logistics

The Logistics division of Motherson aims to bring in efficiency, technology and specialisation in the automotive supply chain. It deals with the logistics of finished vehicles in both the groups' internal supply chain as well as for external customers.

08.

Aerospace

Motherson offers global solutions to the aerospace industry segment, by providing integrated solutions. This division is an initiative of the group to establish its presence in sectors beyond automotive.

09.

Health & Medical

The division is driven by its purpose of positively impacting lives globally by helping people become healthy, and stay healthy. The division works towards realising this by providing products, solutions and services that help people manage and improve their health, and enable people to access affordable care of the highest quality.

The core mission of retail and services is to ensure customer satisfaction, which is ***accomplished through the development of strong, long-term customer relationships.***

Samvardhana Motherson International Limited.

Samvardhana Motherson International Limited (SAMIL) is the locus of connection for the Motherson Group and its growing family of companies. SAMIL guards and drives the overall business philosophy of Motherson, aimed at providing better solutions and creating more value for all Motherson stakeholders. As the principal holding company of the group, SAMIL plays a number of vital roles.

Firstly, it provides operational and strategic support to all group companies to facilitating knowledge-sharing across divisions. SAMIL continues to invest in developing its current resources by building synergies across the Motherson Group within the existing portfolio.

Secondly, SAMIL guides the expansion of the Motherson product portfolio through the formation of new joint ventures and by making acquisitions. Acquisitions in particular are an important driver of growth for Motherson and greatly expand the reach and impact of the company, allowing it to be of more value to customers. In this capacity, one of SAMIL's key functions is integrating newly acquired companies into the Motherson family.

SAMIL aims to continue its inorganic growth through strategic and carefully vetted acquisitions that promise future organic growth potential. The principal goal is not just to increase top-line growth but to grow sustainably. As part of this philosophy, SAMIL also plans to continue reducing risk in the portfolio while maintaining diversity in the customer base, product line, and geographical presence of Motherson as a whole.

Some important results of this approach to joint ventures and new acquisitions has been that SAMIL has strengthened the international exposure of Motherson to the French OEMs through the Reydel acquisition. In addition, it has initiated an important joint venture with Hamakyorex, to enter the logistics industry in India.

The focus on creating value for all stakeholders has led to the trust and the request from customers to do more. SAMIL channels this growth through the three pillars of growth – organic growth, inorganic growth and growth through joint ventures. This approach strengthens the position of MSSL and helps it move closer to the vision of being a globally preferred solutions provider.

SAMIL aims to continue its inorganic growth through strategic and carefully ***vetted acquisitions that promise future organic growth potential.***

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 Motherson Group 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."***

MANAGEMENT DISCUSSIONS AND ANALYSIS

BUSINESS BACKGROUND AND UPDATE

Motherson Sumi Systems Limited (hereinafter called, MSSL or the Company), together with its subsidiaries is a leading global Tier 1 supplier of Wiring Harnesses, Vision Systems, Interior and Exterior Polymer Modules (including door trims, instrument panels and bumpers) to leading automotive original equipment manufacturers (OEMs) of the world. The Company is part of the "Motherson Group".

MSSL, incorporated in 1986 and listed in 1993, is listed at the Bombay Stock Exchange and National Stock Exchange of India, in India. The Company has an investor base of 325,656 shareholders as on 31st March 2020.

The Company has a presence in 41 countries and has over 220 facilities across 5 continents. The Company's business in India consists of designing, manufacturing and supplying wiring harness systems to domestic customers in India across segments viz. passenger cars, commercial vehicles, motorcycles/two-wheeler segments etc. The Company also exports harnesses to OEMs in Japan, Europe as well as Tier 1 OEM Suppliers (including Company's subsidiaries for mirrors business). Also, included in the portfolio is designing, development, manufacturing and supplying of interior and exterior modules as well as plastic components to OEMs in India. Rubber and metal parts are also manufactured and supplied to customers in India and exported to Europe.

The Company is a leading global supplier of wiring harnesses to diverse vehicle segments, namely commercial vehicles, off-road vehicles, rolling stock and recreational vehicles as well as in construction, forestry and agricultural equipment. The Company has 37 manufacturing facilities across 10 countries outside of India through its subsidiaries, PKC Group, Motherson Wiring Systems Inc. (MWSI) and other subsidiaries in Thailand, Mexico, U.K. and Sharjah (UAE), among others.

The Company's subsidiary, Samvardhana Motherson Automotive Systems Group BV (SMRP BV) business consists of Samvardhana Motherson Reflectec (referred to as SMR) and Samvardhana Motherson Peguform (referred to as SMP), Samvardhana Motherson Reydel Companies (referred to as SMRC- erstwhile Reydel Automotive Group acquired by SMRP BV from August 2018) and Samvardhana Motherson Innovative Autosystems (referred to as SMIA). SMRPBV' s companies are present in each major global automotive production region, with 69 production facilities spread across 24 countries. SMR is a specialist in rearview mirror systems as well as a pioneer in intelligent camera systems for automotive applications. SMP develops and manufactures plastic parts and highly integrated modules for the automotive industry. The Company is a specialist in cockpits, door panels, bumper modules and innovative plastic vehicle body parts. SMRC has full capability to design, develop and manufacture complete and functional modular interior systems. Its expertise in manufacturing, materials, design and styling helps in providing innovative, cost-and-weight-efficient products. SMIA is a complete source of profiles and moulded parts made of thermoplastics.

The Company through its other subsidiaries located globally also manufactures and supplies modules and polymer parts to its OEM and Tier 1 customers in South Africa and other parts of the world.

Impact of COVID- 19

With the outbreak of COVID– 19 pandemics at the beginning of Quarter 4 of FY 2019-20 in China and spreading to the rest of the world towards mid- March 2020, production facilities at our plants across the globe were halted in order to ensure the safety of our employees.

In China, the production volumes declined in the early months of Quarter 4 - FY 2019-20 but started to normalize towards the later part of March 2020 as the spread of the virus was contained in China. However, in other geographies, production levels started to decline by March 2020 and as a consequence, our results for the quarter ended March 31, 2020, were adversely affected.

We have been closely monitoring the situation and tracking various governments' response in respective countries to mitigate the impact on business activities as a result of the COVID-19 pandemic. Most of our plants have restarted production by the end of April / May 2020 and it is expected that operations will normalise gradually in line with customer schedules.

Keeping in perspective the changing environment since the onset of COVID-19, the Company has instituted many projects across the globe aimed at cost rationalisation, curtailing non-critical business investments and optimizing working capital to conserve cash and maintain liquidity for the business:

- Governments in various parts of the world have instituted employment protection schemes during the shutdown period where they are bearing a part of the employee costs. We have actively engaged with the governments on these schemes to reduce fixed costs during this period of non-production by implementing payroll flexibility measures.

- Monitoring all capital expenditure and aligning with customer launches.
- Reducing working capital by actively working with our customers
- Working closely with customers for realisation of receivables as well as with the supply chain for a smooth continuity of operations as lockdown restrictions are removed.
- Ensuring upkeep and maintenance of facilities during the lockdown period.

We continue to monitor the situation very closely and work towards getting stronger in this situation.

Automotive Industry

Indian Market:

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

Figures in thousand

Category	2017-18	2018-19	2019-20
Passenger Vehicles	4,020	4,029	3,434
Growth%	6%	0%	-15%
Commercial Vehicles	895	1,112	752
Growth%	11%	24%	-32%
Three Wheelers	1,022	1,269	1,134
Growth%	31%	24%	-11%
Two Wheelers	23,155	24,500	21,036
Growth%	16%	6%	-14%
Quadricycle	2	5	6
Growth%	8%	215%	13%
Grand Total	**29,094**	**30,915**	**26,362**

Source: SIAM Report

FY 2019-20 has been a challenging year and across segments, the automotive industry had negative growth due to transition to BS-VI emission norm from 1-4-2020. However, with the introduction of Bharat VI norms, the demand outlook is expected to look brighter as the situation gets normalized post-COVID-19.

GLOBAL INDUSTRY

Below table shows the vehicle production in last three years:

Vehicle Production: Region (in units)	2017-18	2018-19	2019-20
Europe	22,249,408	21,734,826	20,013,343
North America	16,915,672	16,814,621	15,870,358
South America	3,375,596	3,393,383	3,144,351
Asia (including India)	52,580,035	50,809,843	44,564,738
Total	**95,120,711**	**92,752,673**	**83,592,790**

Source: IHS

The global automotive industry encountered a challenging phase, with OEMs especially facing multiple obstacles all over the world. China faced its first-ever decline in vehicle sales in over 20 years, the USA market grew marginally, the shockwaves of Brexit and the new US-China trade war created anxiety in global markets. The end of FY 2019-20 was also affected by COVID 19 and hit a major part of the world.

China showed some improvement in the third quarter but the fourth quarter was halved due to lockdown.

COMMERCIAL VEHICLES

MSSL through its subsidiary PKC Group which caters to the requirement of customers in this segment is a leading player in designing, manufacturing and integrating electrical distribution systems, electronics and related components for commercial vehicles in Europe, America and China.

The below table shows the production of commercial vehicles in the main global markets during the last 3 financial years.

Production Units	2017-18	2018-19	2019-20
North America			
Heavy Duty Trucks	278,398	340,889	315,499
Medium Duty Trucks	261,178	285,568	276,264
Light Vehicles (Pick-up & SUV)	10,331,018	10,685,703	10,580,885
Europe			
Heavy Duty Trucks	412,558	429,020	362,492
Medium Duty Trucks	74,103	73,946	68,969
Brazil			
Heavy Duty Trucks	63,572	77,841	85,198
Medium Duty Trucks	25,888	26,309	22,589
China			
Heavy Duty Trucks	1,178,002	1,119,112	1,114,303
Medium Duty Trucks	235,708	161,468	133,927
Grand Total	**12,860,425**	**13,199,856**	**12,960,126**

Source: LMC Automotive

The global commercial vehicles market had a marginal de-growth of 1.8% during FY 2019-20 as compared to FY 2018-19.

The majority of the markets globally recorded strong growth during the first half of FY 2019-20 but growth levelled out during second half of FY 2019-20. Numbers were mainly affected by the impact of the outbreak of COVID-19 pandemic in Quarter 4 of FY 2019-20 which resulted in a halt in OEM production lines across geographies.

FINANCIAL PERFORMANCE - 2019-20

REVIEW OF PERFORMANCE

The Company has a diversified revenue base taking into consideration customers, geographies and products, and a global manufacturing footprint, which mitigates the risks arising out of business cyclicality, regulatory fallouts and technological obsolescence inherent in the automobile industry.

In the challenging environment of global auto scenario in FY 2019-20 as well as it being the last year of Vision 2020, the Company launched numerous projects for cost reduction, conservation of cash by reducing working capital as well as control on capital expenditures across the group. The results of these efforts are reflected in low debt levels, which are the lowest in the last 12 quarters as well as a steady performance of the business in the environment of lower offtake by OEMs. The reported performance for the current period was impacted by significant costs associated with the ramp-up of SMP's Greenfields plant at Tuscaloosa in USA and in Kecskemet, Hungary.

The financial performance of the Company has been comprehensively discussed in this section and forms part of the Board's Report.

Consolidated Results:

- During FY 2019-20, the Company reported consolidated sales of ₹ 625,731 million (US$ 8.3 billion) against ₹ 625,716 million for FY 2018-19,
- Reported earnings before interest, tax and depreciation (EBITDA) consolidated basis is at ₹ 53,953 million for FY 2019-20 as compared to ₹ 55,324 million in FY 2018-19. After adjusting for interest and depreciation, the reported profit before tax and profit after tax is ₹ 20,554 million and ₹ 11,701 million (Previous Year: ₹ 30,872 million and ₹ 16,131 million) respectively.
- Share of profits of associates & Joint ventures for FY 2019-20 amounted to ₹ 575 million compared to ₹ 1,131 million in FY 2018-19.
- Reported Earnings per share (EPS) is ₹ 3.71 per share, compared to ₹ 5.11 per share in FY 2018-19.
- The Company reported Return on Average Capital Employed (ROCE) of 10% at a consolidated level in 2019-20, however, if we adjust for acquisitions made post announcement of Vision 2020 as well as for Greenfields at Tuscaloosa and Kecskemet, ROCE was 24%. ROCE for the FY 2019-20 impacted due to COVID–19 pandemic, negative growth in automotive industry globally and higher initial ramp costs at new Greenfields of SMP

Standalone results:

The domestic market conditions have been impacted by the slowdown of the Indian economy which has been triggered by a mix of both internal as well as external factors such as synchronized global slowdown, impacting domestic automobile sales. The sale of automobiles across sectors in the second half of FY 2019-20 was impacted due to migration from BS-IV to BS-VI emission norms commencing from April 1, 2020. The sales were further impacted due to lockdowns in March 20.

- During the FY 2019-20 the standalone sales are reduced by 10% at ₹ 66,321 million against ₹ 73,959 million for FY 2018-19 due to domestic market conditions. Exports from India were at ₹ 9,975 million compared to ₹ 9,878 million in FY 2018-19
- Reported earnings before interest, tax and depreciation (EBITDA) was ₹ 11,685 million as compared to ₹ 13,347 million in FY 2018-19.
- The Profit before tax (PBT) and Profit after Tax (PAT) were ₹ 11,614 (FY 2018-19 : ₹ 12,224 million) and ₹ 8,988 (FY 2018-19 : ₹ 8,138 million) respectively with dividend from its overseas subsidiaries and joint ventures amounting to ₹ 3,093 million (FY 2018-19 : ₹ 1,227 million).
- The Company reported return on capital employed (ROCE) at standalone level was 31% compared to 41% in previous year. The ROCE for the year was impacted due to drop in revenues and further lockdown in March 2020

ADOPTION OF NEW ACCOUNTING STANDARD Ind AS 116

During the FY 2019- 20, Ind AS 116 pertaining to Leases became applicable to the Group. The standard requires operating leases to recognize assets for the right to use as well as leasing liabilities for the outstanding lease payments for the period of the lease. The Company elected to apply the new accounting standard with effect from April 01, 2019, using the modified retrospective method without restating comparatives for the year ended March 31, 2019.

The management has conducted a detailed analysis on the implications of the implementation of the new standard on the financials. The Company recognized the right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets. The impact of the adoption of this new standard for FY 2019-20 is given is as follows:

₹ in Million

	Consolidated	Standalone
Decrease/ (increase) in rent expense	3,988	289
Decrease/ (increase) in finance cost	(738)	(88)
Decrease/ (increase) in depreciation	(3,599)	(248)

DEBT POSITION & LIQUIDITY:

During the financial year 2019-20, the Company generated highest levels of operating cash flows (after working capital) of ₹ 63,520 million (FY 2018-19 : ₹ 43,124 million) and incurred lower CAPEX of ₹ 21,942 million (FY 2018-19 : ₹ 26,853 million) The Company's comparative debt position for last 3 years is as follows:

₹ in Million

	Consolidated			Standalone		
	31/03/2018	31/03/2019	31/03/2020	31/03/2018	31/03/2019	31/03/2020
Long term debt*	75,701	80,995	82,730	11,027	11,337	11,915
Debt due in one year*	8,967	5,914	1,089	504	18	0
Short term debt	19,068	28,433	34,079	16	2	2,279
Gross debt	**103,736**	**115,342**	**117,898**	**11,547**	**11,357**	**14,194**
Cash and Bank Balance	27,783	35,425	48,728	1,022	1,338	2,305
Net debt	**75,953**	**79,917**	**69,170**	**10,525**	**10,019**	**11,889**

**Debt excludes lease liabilities recognized as per Ind AS 116 during FY 2019-20 amounting ₹ 10,182 million classified as non-current and amounting ₹ 3,284 million classified as current at consolidated level.*

Given the uncertainty around COVID 19 situation, the Company further enhanced its liquidity by the issue of Rupee Non-Convertible Bonds of ₹ 5,000 million in April 2020.

DIVIDEND PAYOUTS:

The Company paid a dividend of ₹ 1.50 per share for 18-19 in August 2019 as approved by the shareholders at the annual general meeting. In order to further reward its shareholders, the Board declared and paid an interim dividend of ₹ 1.50 per share for the FY 2019-20 in March 2020. The interim dividend including dividend distribution tax represents a payout ratio of 49% of the consolidated profits after tax for the FY 2019-20. This payout ratio is highest so far by the Company as well as significantly above the stated policy of 40% dividend payout ratio.

During the year FY 2019-20, the total dividend outflow including dividend distribution tax amounted to ₹ 10,814 million.

REVENUE:

The Company's consolidated sales reached to ₹ 625,731 million (USD 8.3 billion) during the year.

Geographical Spread

The Company's consolidated sales are in line with the previous year at ₹ 625,731 million, with 89% of consolidated sales coming from outside India.

With a significant contribution to sales growth from outside India and the ability to serve customers globally, the Company now ranks as one of the leading global players in the automotive component industry.

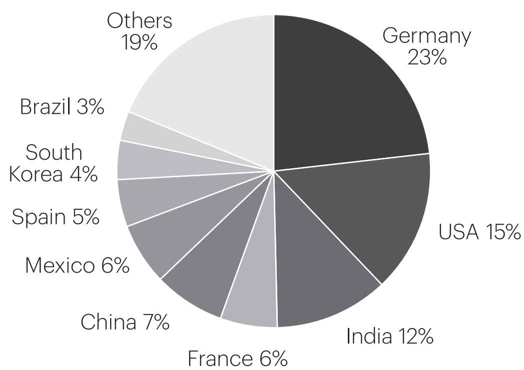
The table below shows consolidated sales performance of the Company within India and outside India in 2019-20:

₹ in Million

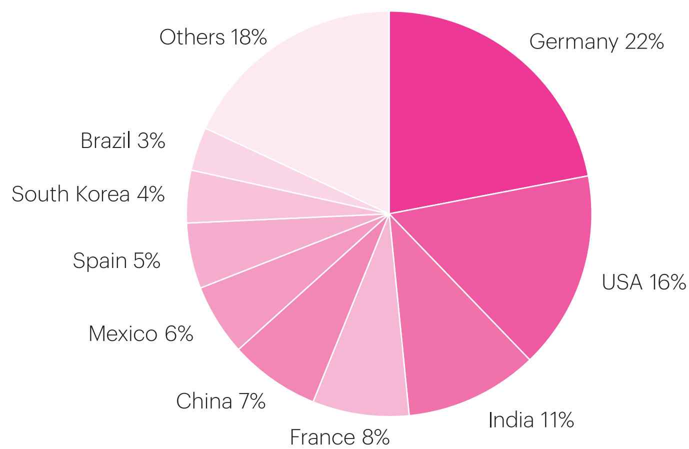
Consolidated	2018-19		2019-20		Growth %
	%	Amount	%	Amount	
Customers within India	12%	74,274	11%	66,281	-11%
Customers outside India	88%	551,442	89%	559,450	1%
Total	**100%**	**625,716**	**100%**	**625,731**	**0%**

The below chart shows the consolidated sales breakdown by geography for the financial year ended March 31, 2020, and March 31, 2019.

2018-19



2019-20



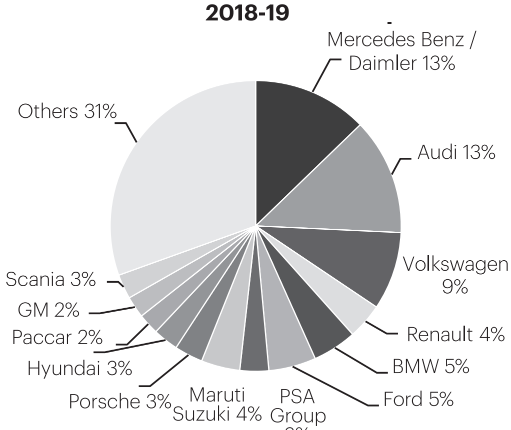
MSSL has substantially expanded its customer base globally to strengthen its affiliation with the existing customers, towards its target of 3CX15.

Diversified customer portfolio

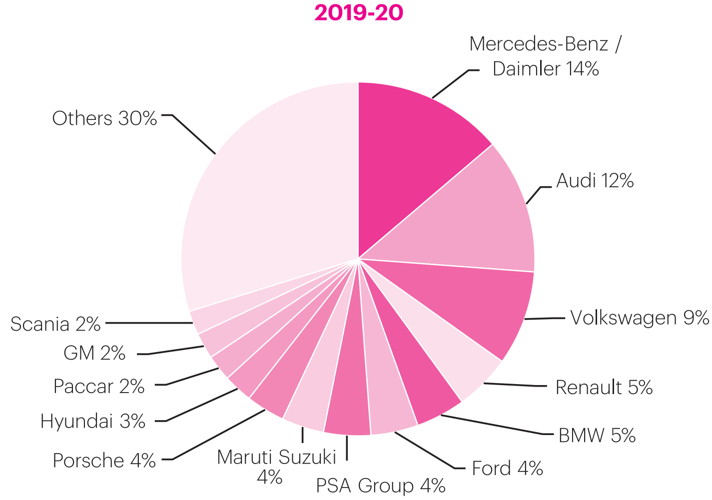
The Company serves major customers globally across its business divisions. It is a trusted partner for all its customers.

The below chart shows the sales breakdown by customers for the financial year ended March 31, 2020.

2018-19



2019-20



A major component of Vision 2020 is MSSL's target of "3CX15", which means no Component, Customer or Country to represent more than 15% of the turnover. This is the de-risking philosophy that the company follows and supports the Company with a balanced portfolio. The above graph depicts the dependence on each customer. The largest customer is now 14%.

Moreover, as part of its strategy, the group has been focused on expanding the customer base on a year-on-year basis via organic and inorganic growth, on the acquisition of SMRC and PKC. The customer profile is getting more balanced going forward.

Others include customers contributing to less than 2% of total sales.

REVIEW OF CONSOLIDATED FINANCIALS

Consolidated financial results:

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

₹ in Million

Results	2018-19	2019-20	% change
Sales	625,716	625,731	0%
Cost of goods sold	367,383	362,715	-1%
Employee cost	141,694	150,769	6%
Other expenses	72,668	69,871	-4%
EBITDA*	55,324	53,953	-2%
Finance costs	4,232	5,986	41%
Depreciation including amortization of intangibles as well assets capitalized on Rights to Use and Impairment	20,582	27,780	35%
PBT	32,003	21,129	-34%
PAT (concern share)	16,131	11,701	-27%
Earnings per share	**5.11**	**3.71**	**-27%**
Total comprehensive income attributable to:			
Owners	15,778	13,505	-14%
Non-controlling interest	5,020	2,066	-59%

**Before dividend income and interest income*

Major cost contributors

Cost of Material

MSSL is designing, developing and manufacturing / assembling diverse products range and the cost of raw material can vary depending upon product mix. Cost of material includes purchases of raw materials, purchases of various bought-out components, some of which are customer nominated and tools etc. The company is regularly undertaking initiatives such as Value addition, Value Engineering (VA-VE) to reduce its raw material costs to meet customer's targets for cost down. Further, the company is undertaking horizontal and vertical integration to offer better solutions to the customers.

Raw material required for its major product categories are:

- 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, 2020, the cost of material was ₹ 362,715 million against ₹ 367,383 million for the corresponding previous financial year ended March 31, 2019, which is 58% & 59% of total sales respectively for both the years.

Employee cost

Employee cost is the second largest contributor after raw materials in the total cost structure. Employee cost is calculated by totaling the sum of salaries and wages, contribution to provident fund, gratuity, employee pension schemes and expenses incurred on staff welfare. What determines this cost is the size of operations, geographical reach and skill requirements for customers.

Overall employee cost increased by 6% in FY 2019-20 which was 24% of total sales for the year. The increase this year was primarily due to the increase in capacity and production level, the ramp-up of production in new facilities, and headcount increase at new Greenfield plants.

Other Expenses

This year across the Company cost-saving measures were initiated at all levels from the initial stage of procurement to production and also administration. This resulted in a reduction of 4% in this head compared to the previous year. Other expenses primarily consist 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.

Finance Costs:

Total finance costs of ₹ 5,986 million for FY 2019-20 included an amount of ₹ 738 million impact due to the implementation of Accounting Standard on leases. After adjusting the same, the Finance costs are comparable to ₹ 4,232 million during FY 2018-19.

Depreciation and Amortization Expenses:

Depreciation and Amortization expenses of ₹ 27,780 million include depreciation of ₹ 3,599 million in respect of right of use assets, capitalized consequent upon implementation of Accounting Standard on leases as well as impairment amount of ₹ 737 million recognized in FY 2019-20. The net charge to P & L account after adjusting for these is ₹ 23,444 million compared to ₹ 20,582 million in FY 2018-19.

Income Taxes:

Income tax expense include an amount of ₹ 9,043 million (FY 2018-19: ₹ 11,860 million) towards current tax charge.

(A) Consolidated financial position:

₹ in Million

Financial Position	2018-19	2019-20	% change
Property, plant and equipment	140,539	147,138	4.7%
Right-to-use assets	-	15,596	0.0%
Capital work-in-progress	10,463	8,154	-22.1%
Investment properties	1,304	1,197	-8.2%
Goodwill	22,118	24,060	8.8%
Other intangible assets	20,471	19,874	-2.9%
Other assets			
- Inventory	46,634	51,566	10.6%
- Trade receivables	73,292	65,783	-10.2%
- Cash & bank balance	35,469	48,789	37.6%
- Other assets	83,011	72,802	-12.3%
Total assets	**433,302**	**454,958**	**5.0%**
Liabilities (other than loans)	173,536	175,335	1.0%
Net assets	**259,766**	**279,623**	**7.6%**
Source of funding:			
Net worth	106,215	109,026	2.6%
Reserve on amalgamation and consolidation	3,412	3,583	5.0%
Non-controlling interests	34,797	35,650	2.5%
Loans outstanding:			
- Payable within one year	5,914	1,010	-82.9%
- Short-term loans	28,433	34,079	19.9%
- Long-term loans	80,995	82,612	2.0%
- Lease liabilities	-	13,663	0.0%
Total loans	**115,342**	**131,364**	**13.9%**

₹ in Million

Financial Position	2018-19	2019-20	% change
Cash & bank balance (excluding unpaid dividend)	35,425	48,728	37.6%
Loans (net of cash and bank balances)	**79,917**	**82,636**	**3.4%**
Capital expenditure (Net of disposals)	26,853	21,942	-18.3%

The Company's net debt excluding additional lease liabilities recognised as per Ind AS 116 was ₹ 69,169 million as on March 31, 2020, significantly lower from ₹ 79,917 million as on March 31, 2019.

The Company had cash and bank balance of ₹ 48,728 million including the cash and bank balance at SMRP BV & PKC amounting Euro 414 million and Euro 90 million respectively as on March 31, 2020.

(B) Ratio Analysis:

Key Ratios	2018-19	2019-20
Debtor Turnover (days)	34	33
Inventory Turnover (days)	25	28
Interest Coverage Ratio	13.87	9.70
Current ratio	1.29	1.24
Debt Equity Ratio	0.80	0.80
Operating Profit Margin	5.8%	4.3%
Net profit Margin	2.6%	1.9%
Net Debt to EBITDA	1.36	1.36

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

The decline in operating profit margins and net profit margin is caused due to initial startup and higher/exceptional ramp-up costs at SMP Greenfields plants.

CAPITAL EXPENDITURE

The Company is Full Solutions Provider to the customers, providing design, development, tooling, manufacturing and assembly solution to the customers. Further, the Company's products change as the customer introduce new / face lifts models, in the markets. The company makes investments into new product lines/ new facilities based on orders from the customers. During the Five Year 2015-20, the company has built 41 plants across geographies to meet the requirements of the customers for executing the orders.

During the year, The Company as a whole incurred capital expenditure of ₹ 21,942 million (Previous Year ₹ 26,853 million) which has been largely financed from internal accruals within the group. Segment-wise break-down of expenditure is as follows:

₹ in Million

Segment	2018-19	2019-20
Standalone	3,976	3,470
SMP	13,803	10,825
SMR	4,989	4,068
PKC	2,578	2,852
Others	1,507	727
Total	**26,853**	**21,942**

While the details of such capex are described in respective segments, it may be noted that SMP has completed its capex on large greenfield plants built at Zitlatepec (Mexico), Kecskemet (Hungary) and Tuscaloosa (USA).

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	2018-19	2019-20
Cash flow from operations	**53,622**	**74,296**
Taxes paid	(10,498)	(10,776)
Cash flow from operating activities	**43,124**	**63,520**
Capital Expenditure (Net of disposal)	(26,853)	(21,942)
Proceeds from sale / (payment for purchase) of investments	(13)	33
Consideration paid on acquisition of subsidiaries & associates	(7,217)	(1,228)
Cash flow from other investing activities	978	738
Cash flow from Investing activities	**(33,105)**	**(22,399)**
Proceeds & (repayments) of borrowings	8,147	(6,214)
Dividend paid	(6,395)	(12,794)
Cash flow from other financing activities	(3,998)	(9,021)
Cash flow from financing activities	**(2,246)**	**(28,029)**
Net Increase/(Decrease) in Cash & Cash Equivalents	7,773	13,092
Net Cash and Cash equivalents at the beginning of the year	27,706	35,399
Cash and cash equivalents as at current year closing*	**35,399**	**48,688**

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

Operating Activities

Net cash generated from operating activities for the financial year ended March 31, 2020, was ₹ 63,520 million. Cash generated from operations before changes in working capital & income tax was ₹ 58,095 million.

Investing Activities

Net cash flow utilized in investing activities during the financial year ended March 31, 2020, was ₹ 22,399 million. This was primarily contributed by the amount paid for the purchase of property, plant & equipment for ₹ 21,942 million (the same is explained in "Capital Expenditure").

During the year the Company made payment against Bombardier acquisition announced in the previous year. The total consideration paid for the acquisitions was ₹ 851 million. Further the Company also acquired shares of a joint venture and other subsidiaries during the year amounting INR 377 million

Financing Activities

Net cash flow utilized in financing activities for the financial year ended March 31, 2020, was ₹ 28,029 million. The Company made payment of dividends twice in the year, first in the month of August declared out of FY 2018-19 profits and secondly interim dividend for FY 2019-20 in the month of March 2020. The total dividend (including dividend distribution tax) paid in the year was ₹ 10,827 million. The dividend paid to Minority shareholders during the year was ₹ 1,967 million.

Net payment to various working capital facilities and term loan during the period was ₹ 6,214 million (including ₹ 3,758 net repayment of subordinated debt to shareholders).

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 FY 2019-20:

₹ in Million

Consolidated	March 31, 2019		March 31, 2020		Growth
	%	Amount	%	Amount	%
MSSL Standalone	12%	73,959	11%	66,321	-10%
SMR	21%	129,840	19%	121,368	-7%
SMP (including SMRC)	48%	298,070	51%	317,325	6%
PKC	15%	95,186	15%	92,693	-3%
Others*	7%	42,667	7%	41,423	-3%
Intersegment	-2%	(14,006)	-2%	(13,399)	
		625,716		**625,731**	

*Others comprise other subsidiaries of the Company (excluding SMR, SMP & PKC) that are below the thresholds for separate reporting as operating segments

The details and performance of each of the segment is described in respective sections.

REVIEW OF STANDALONE PERFORMANCE & FINANCIALS

Currently, 85% of sales at standalone are to the domestic customers while 15% of the standalone sales originate from outside of India as shown by the below table.

₹ in Million

MSSL Standalone	2018-19		2019-20		Growth
	%	Amount	%	Amount	%
Customers within India	87%	64,081	85%	56,346	-12%
Customers outside India	13%	9,878	15%	9,975	1%
Total	**100%**	**73,959**	**100%**	**66,321**	**-10%**

As already specified, the slowdown of the Indian economy due to various factors also impacted the domestic automotive industry together with other factors like migrating to the BS-VI emission norms, the spread of COVID-19 pandemic amongst other factors that impacted the standalone business of the Company.

The table below shows the sales by different product groups of MSSL Standalone business as well as sales to domestic customers and outside:-

₹ in Million

MSSL Standalone	2018-19		2019-20		Growth
	%	Amount	%	Amount	%
Wiring Harness	72%	53,231	73%	48,150	-10%
Modules and Polymer Components	26%	19,514	25%	16,835	-14%
Rubber/Metal machined & other products	2%	1,214	2%	1,336	10%
Total		**73,959**		**66,321**	**-10%**

Wiring Harness: The Company is engaged in design, development, assembly and supply of wiring harnesses to its customers in domestic and overseas markets. Also, the Company is manufacturing wires which are supplied to its wiring harnesses plants (turnover of which is netted in reporting Company's revenues) as well as to its Joint venture and subsidiaries,

₹ in Million

Wiring Harness	2018-19		2019-20		Growth
	%	Amount	%	Amount	%
Customers Within India	85%	45,468	84%	40,542	-11%
Customers Outside India	15%	7,762	16%	7,608	-2%
Total		**53,231**		**48,150**	**-10%**

Modules and Polymer Division (called Motherson Automotive & Engineering – MATE): is engaged in design development and supply of modules such as Instrument Panel Assembly (dashboard), Console, Door Trim Assembly, Front and Rear Bumpers, Exterior Grilles, Functional Parts such as Inside and Outside Handles. Interior roof Grab Handles, Roof Rails, Air Louvers, Cowl Top etc. Blow moulded components such as HVAC Ducts, Windshield Fluid Reservoirs, Resonators and Spoilers. In addition, the component division, SMIIEL manufactures high precision parts & highly intricate assemblies for automotive and Medical Segment. The product range covers connectors, relay boxes, junction box and terminals. Electronic division of SMIIEL manufactures high precision PCB & wire-based junction box

₹ in Million

Modules and Polymer Components	2018-19		2019-20		Growth
	%	Amount	%	Amount	%
Customers Within India	93%	18,216	92%	15,450	-15%
Customers Outside India	7%	1,298	8%	1,385	7%
Total		**19,514**		**16,835**	**-14%**

Other businesses of MSSL, India include Elastomer Division, having facilities at Noida, & Chennai with product range such as Door Grommets, Pads & Bushes, Gaskets & O-Rings, NVH Components, Vibration Mounts, Suspension Bushes, Rubber To Metal Bonded Parts, Large Engine Gaskets, Rubber To Plastic Bonded Parts etc. and Metal Division manufactures High Precision Machined Metal Components and Assemblies for a wide range of applications including Machinery parts, Valve body parts, Hydraulic cylinder parts, Drive motion parts, Healthcare parts, cooling system - heat sinks and other precision applications.

₹ in Million

Rubber/Metal machined & other products	2018-19		2019-20		Growth
	%	Amount	%	Amount	%
Customers Within India	33%	396	27%	355	-10%
Customers Outside India	67%	818	73%	981	20%
Total		**1,214**		**1,336**	**10%**

(A) Standalone financial results:

₹ in Million

Results	2018-19	2019-20	% change
Sales	73,959	66,321	-10%
Cost of goods sold	42,099	37,164	-12%
Employee cost	11,785	12,176	3%
Other expenses	9,201	8,379	-9%
EBITDA*	13,347	11,685	-12%

₹ in Million

Results	2018-19	2019-20	% change
Finance costs	176	306	74%
Depreciation including amortization of intangibles as well assets capitalized on Rights to Use and Impairment	2,193	2,883	31%
PBT	12,224	11,614	-5%
PAT	8,138	8,988	10%
Earnings per share	**2.58**	**2.85**	**10%**

**Before dividend income and interest income*

(B) Standalone financial position:

₹ in Million

Financial Position	2018-19	2019-20	% change
Property, plant and equipment	17,087	15,819	-7.4%
Right-to-use assets	-	2,716	0.0%
Capital work-in-progress	907	903	-0.4%
Investment properties	872	747	-14.3%
Other assets			
- Inventory	10,551	9,931	-5.9%
- Trade receivables	8,090	8,675	7.2%
- Cash & bank balance	1,382	2,366	71.3%
- Other assets	51,543	50,872	-1.3%
Total assets	**90,432**	**92,029**	**1.8%**
Liabilities (other than loans)	14,693	14,463	-1.6%
Net assets	**75,739**	**77,566**	**2.4%**
Source of funding:			
Net worth	62,719	60,781	-3.1%
Reserve on amalgamation and consolidation	1,663	1,663	0.0%
Loans outstanding:			
- Payable within one year	18	0	-97.3%
- Short-term loans	2	2,279	121553.8%
- Long-term loans	11,337	11,915	5.1%
- Lease liabilities	-	928	0.0%
Total loans	**11,357**	**15,122**	**33.2%**
Cash & bank balance (excluding unpaid dividend)	1,338	2,305	72.3%
Loans (net of cash and bank balances)	**10,019**	**12,817**	**27.9%**
Capital expenditure (Net of disposals)	3,976	3,470	-12.7%

The Company incurred CAPEX of ₹ 3,470 million at standalone level, which includes: expansion of wiring harness facilities in Kandla, Pithampur, Lucknow & Noida, polymer facilities in Tapukara, Pune, Puducherry, Noida & Chennai. A new unit for rubber components is being set up in Chennai.

(C) Ratio Analysis:

Key Ratios	2018-19	2019-20
Debtor Turnover (days)	42	46
Inventory Turnover (days)	48	56
Interest Coverage Ratio	82.66	66.57
Current ratio	1.72	1.73
Debt Equity Ratio	0.18	0.23
Operating Profit Margin	16.8%	17.9%
Net profit Margin	11.0%	13.6%
Net Debt to EBITDA	0.69	0.82

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

Standalone Cash Flow statement:

₹ in Million

Consolidated Cash Flow	2018-19	2019-20
Cash flow from operations	**13,206**	**12,945**
Taxes paid	(3,781)	(2,582)
Cash flow from operating activities	**9,425**	**10,363**
Capital Expenditure (Net of disposal)	(3,976)	(3,470)
Dividend received from subsidiaries & Joint ventures	1,195	3,067
Cash flow from other investing activities	18	(94)
Cash flow from Investing activities	**(2,763)**	**(497)**
Proceeds & (repayments) of borrowings	(568)	2,242
Dividend paid	(5,492)	(10,797)
Cash flow from other financing activities	(342)	(371)
Cash flow from financing activities	**(6,402)**	**(8,926)**
Net Increase/(Decrease) in Cash & Cash Equivalents	260	939
Net Cash and Cash equivalents at the beginning of the year	1,016	1,333
Cash and cash equivalents as at current year closing*	**1,276**	**2,272**

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

Operating profit before working capital changes was in line at ₹ 11,486 million, compared to ₹ 13,162 million for FY 2018-19.

During the year 2019-20 net proceeds from borrowing facilities was ₹ 2,242 including payment of lease liabilities recognised as per Ind AS 116 Leases.

The Company declared and paid interim dividend amounting ₹ 1.5 per share to its shareholders. Also dividend declared for previous year profit was paid during the year.

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

Following are the summary financials for the financial year ended March 31, 2020:

EUR in Million

Income Statement	2018-19			2019-20		
	SMRPBV Group*	SMP	SMR	SMRPBV Group*	SMP	SMR
Sales	5,278	3,677	1,604	5,569	4,029	1,541
EBITDA#	340	165	188	337	164	185
% to Sales	6.4%	4.5%	11.7%	6.1%	4.1%	12.0%

Following are the summary financials for the financial year ended March 31, 2020 excluding Greenfields Tuscaloosa (USA) & Kecskemet (Hungary), SMRC and Ind AS 116:

EUR in Million

Income Statement	2018-19			2019-20		
	SMRPBV Group*	SMP	SMR	SMRPBV Group*	SMP	SMR
Sales	4,338	2,737	1,604	4,126	2,585	1,541
EBITDA#	446	270	188	409	240	181
% to Sales	10.3%	9.9%	11.7%	9.9%	9.3%	11.7%

**SMRPBV Group includes results of segment 'Others', which represents activities carried out by Motherson Innovations (Group's R&D and new technologies development arm) and results of certain corporate and shareholder support functions not allocable to a particular segment on a reasonable basis.*

 # Before interest income and dividend income

REVENUE

For the year ended March 31, 2020, Group's sales increased to € 5,569 million, representing annual growth of 6% over the corresponding previous year's sales of € 5,278 million. SMP recorded a sales growth of 10% over the corresponding previous year as revenue increased to € 4,029 million on March 31, 2020, from € 3,677 on March 31, 2019. This growth is primarily due to ramp-up of production at Greenfield plants in USA and Hungary and full-year consolidation of SMRC's results. SMR's sales were € 1,541 million for the year ended March 31, 2020, slightly lower, as compared to € 1,604 million for the financial year ended March 31, 2019.

Earnings before interest, depreciation and taxes (EBIDTA):

For the financial year ended Mach 31, 2020 EBIDTA was € 337 million representing 6.1% to sales, vis-a-vis to EBIDTA for the corresponding financial year ended March 31, 2019, at €340 million representing 6.4% to sales.

Excluding Greenfields, SMRC and IFRS 16 Impact, as compared to the financial year ended March 31, 2020, EBITDA was € 409 million representing 9.9% to sales, vis-a-vis EBITDA for the corresponding previous financial year ended March 31, 2019, at € 446 million, representing 10.3% to sales.

For the financial year ended March 31, 2020, SMP EBITDA was € 164 million representing 4.1% to sales, which is similar to EBITDA for the corresponding financial year ended March 31, 2019, at €165 million representing 4.5% to sales for the reasons explained above.

Excluding the Greenfields, SMRC and IFRS 16 Impact, for the financial year ended March 31, 2020, SMP's EBITDA was € 240 million representing 9.3% to sales, vis-a-vis EBITDA for the corresponding previous year ended March

31, 2019 at € 270 million, representing 9.9% to sales. This decline in EBITDA is largely due to a temporary shutdown on production due to the COVID-19 pandemic outbreak towards the end of the quarter.

SMR's EBITDA for the financial year ended March 31, 2020, was € 185 million representing 12.0% to sales, vis-a-vis EBITDA for the corresponding previous year ended March 31, 2019, at € 188 million, representing 11.7% to sales. Excluding the impact of IFRS 16, EBITDA for the financial year ended March 31, 2020, was at € 181 million representing 11.7% to sales.

COST OF MATERIALS

Cost of materials 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 pre-constructed components. These are primarily variable based on the product mix sold during the period.

The cost of material was, for the financial year ended March 31, 2020 cost of material was €3,341 million as compared to €3,197 million for the financial year ended March 31, 2019, in absolute amount. As a % to sales, the cost of material was 60.0% for the financial year ended March 31, 2020, which is lower as compared to 60.6% for the financial year ended March 31, 2019.

The absolute increase in the cost of materials is primarily due to increased production volume and higher engineering revenues due to the launch of new programmes for our OEMs as well as the inclusion of full-year of SMRC in the current period.

PERSONNEL COSTS

Personnel expenses include wages, salaries, paid labour rendered by third parties, employer's social security contributions and other welfare expenses. Personnel expenses are primarily driven by the size of our operations, our geographical reach and customer requirements.

Personnel expenses were at € 1,328 million, for the financial year ended March 31, 2020, was higher than €1,206 million for the financial year ended March 31, 2019, Representing 23.8% of sales for March 31, 2020, and 22.9% of sales for March 31, 2019. These increases were due to increased production level and ramp-up of production from Greenfield plants in Hungary and USA.

OTHER OPERATING EXPENSES

Other operating expenses primarily consist of general administrative expenses, energy costs, repair & maintenance costs, rental & lease costs, freight & forwarding costs, auditors' remuneration, net foreign exchange loss and legal & professional fees.

Other operating expenses were for the financial year ended March 31, 2020, represented 11.6% of revenues at €648 million as compared to 11.7% of revenues at €615 million for the financial year ended March 31, 2019.

The absolute increase in operating expenses for the full year is attributed primarily due to an increase in production levels and ramp-up costs associated with production from new plants.

CAPITAL EXPENDITURE

SMRP BV Group's growth strategy includes expanding operations in line with customers' growth and sales order book. Capital expenditure primarily relates to the building of new manufacturing plants or increasing the capacities in existing plants in response to new orders from the customers.

SMRP BV Group is also focussed 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 utilised in the manufacturing & assembly process to increase production efficiencies.

Capital expenditure has been gradually reducing year on year. Capital expenditure incurred during the financial year ended March 31, 2020 was €175 million, the lowest in the last 5 years. The current level of capital expenditure is sufficient to cater to the existing order book as a significant part of expenditure for Greenfield plants has already been incurred.

Performance of SMP

SMP division produces various polymer-based interior and exterior products for light vehicles. SMP's product portfolio is primarily comprised of complete modules, including door panels, instrument panels and bumpers as well as other plastic components and systems, such as centre consoles, decorative interior trims and plastic body parts. These products involve complex manufacturing and assembly processes, require significant systems integration expertise and represent key comfort and aesthetic features of the vehicles in which they are integrated.

SMP focuses on the premium segment and is a leading global supplier of door panels, instrument panels and bumpers. 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's research and development team are focussed on meeting and exceeding the steadily increasing requirements of its customers and on key areas including lightweight constructions, renewable raw materials, occupant protection and pedestrian protection. The engineering team works with OEM to develop cost-efficient innovative products along with adding new functionalities and continually improving SMP's existing product range.

SMP division 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 the 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.

SMP (including SMIA & SMRC) has 48 manufacturing facilities in 20 countries and employed 22,222 people as of March 31, 2020.

SMP recorded a sales growth of 9.6% over the corresponding previous year as sales increased to € 4,029 million in March 31, 2020 from € 3,677 in March 31, 2019. This growth is primarily due to ramp-up of production at Greenfield plants in USA and Hungary and full-year consolidation of SMRC's results. This growth in sales is despite production disruptions due to COVID-19 pandemic outbreak which affected China in the earlier part of the current quarter and began affecting the rest of the geographies towards mid-March 2020.

Excluding Greenfields, SMRC and IFRS 16 Impact, EBITDA for the fiscal year ended March 31, 2020, was € 240 million representing 9.3% to sales, vis-a-vis EBITDA for the corresponding previous fiscal year ended March 31, 2019 at € 270 million, representing 9.9% to sales.

During the year ended March 31, 2020, SMP incurred capital expenditure amounting to € 131 million. This CAPEX was mainly incurred for maintaining and upgrading existing facilities to bring efficiencies in the production process, for launching new customer programs at existing facilities and as well as for completion of Greenfield plants at Tuscaloosa & Kecskemet.

Performance of SMR

SMR is one of the largest manufacturers of mirrors for passenger cars in the world having its headquarters in Stuttgart, Germany. The division develops and manufactures rearview mirror system and intelligent camera technologies for the automotive industry. The product range includes exterior and interior mirrors, mirrors with integrated lighting and turn signals, warning detection systems, telescopic trailer tow mirrors, as well as rearview vision technologies including cameras and sensors. SMR's mirrors are engineered to optimize aerodynamics and integrate technologically advanced features that enhance safety, comfort and aesthetics.

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 22 manufacturing facilities and 2 module centers.

Below table shows the performance of SMR:

SMR is well-positioned geographically in all major automotive markets which help in maintaining its market position with all customers. However, revenues are negatively impacted due to COVID-19 situations across all markets including China and Korea during the last quarter of the fiscal year ended March 31, 2020.

Despite this impact on revenue during last quarter, SMR EBITDA margin has improved due to continuous focus on operational improvements and removing inefficiencies from the system, resulting in EBITDA excluding interest income of 12.0% to the sales for the year ended March 31, 2020, vis-a-vis 11.7% for the previous year ended March 31, 2019.

Euro in Million

SMR Results#	2018-19	2019-20
Sales	1,604	1,541
EBITDA*	188	185
Depreciation and amortization	46	56
PBIT*	142	129

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

* Before interest income and dividend income

During the year 2019-20, SMR incurred capital expenditure amounting to € 44 million. The CAPEX was mainly incurred for adding production capacities and new capabilities at existing facilities. SMR also completed expansion and consolidation of its facility at Chennai, India during the year.

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

PKC Group is a global partner engaged in 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.

Since the acquisition by MSSL, PKC improved its performance on many fronts. Revenue grew organically in all geographical areas with a strong commercial market in Europe, North America along with penetration in the Brazil market.

The financial year started with a strong market environment but the market was slightly impacted during the year as a result of lowered GDP growth in China and trade war escalation with the US. The end of the financial year was effected by COVID-19.

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

Euro in Million

PKC Results#	2017-18	2018-19	2019-20
Sales	1,043	1,176	1,177
EBITDA*	72	105	120
Finance Costs	7	6	8
Depreciation and amortization	31	30	41
Profit before tax	36	72	73
Taxes	2	16	17
Profit after tax	33	55	56
Minority Interests	5	3	2
PAT (concern share)	28	52	54

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

** Before interest income and dividend income*

One of the subsidiaries of the group, Motherson Rolling Stock Systems GB Limited, signed a definitive agreement with Bombardier Transportation (Rolling Stock) UK Ltd. ("Bombardier") on February 28, 2019, for the acquisition of Bombardier's assets relating to 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. This acquisition was completed in April 2019 through Motherson Rolling Stock Limited (MRSS).

While overall revenue at PKC remained at the same level as the previous year, revenue growth was contributed by the acquisition of MRSS as well as growth in the Brazil market. Softened truck markets in America and Europe along with COVID-19 impact across markets including China reflected negatively on revenues.

Despite deteriorating markets conditions, PKC achieved highest ever EBITDA with the successful implementation of the Company philosophy of "breathing with the market" across regions as well as generated strong free cash flows

During the FY 2019-20, PKC group incurred CAPEX of € 36.2 million, which included the purchase of leased land & building at Serbia (so that expansion can be carried by Group), for expansion at Serbia, setting up of new plant at Ras Al Khaimah (UAE), a customer-related project at other facilities including China.

During March 2020 one of the subsidiaries of PKC group, PKC Wiring Systems Oy, Finland acquired 81% shares of Wisetime Oy, Finland by paying consideration of € 5.33 million. Post this purchase the Company became a 100% shareholder of this acquired Company.

Wisetime Oy a Finnish software Company was founded in 1991 and has long-term experience in developing industrial Enterprise Resource Planning (ERP) systems.

Wholly owned Subsidiaries:

Subsidiaries	Nature of business	Currency	Revenue 2018-19 in million	Revenue 2019-20 in million
MSSL Mideast (FZE) MSSL Holding:100% Location : Sharjah Free Trade Zone, UAE	Manufacturing of wiring harness for supplies to leading manufacturers of material handling equipment, construction equipment, agricultural machines, garbage handling trucks etc. as well to SMR.	EUR	46	43
MSSL (GB) LTD. MSSL Holding:100% Location / Country: New Castle, UK	Wiring harness and related modules to niche segments in UK.	GBP	13	11
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	264	247
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	23	19
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	16	19

Subsidiaries	Nature of business	Currency	Revenue 2018-19 in million	Revenue 2019-20 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	22	20
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	20	23
Motherson Orca Precision Technology GmbH MSSL Holding: 95.1% Country: Germany	Serves automobile and auto component manufacturers and tier 1 customers. The product range includes precision turned parts for fuel injection, fuel pump, emission controls, pressure sensors, air condition systems etc.	EUR	8	8
Motherson Techno Precision México, S.A. de C.V MSSL Holding: 95.1% Country: Mexico	Provides engineering, design and prototype services, mainly to wiring harnesses customers in Americas.	EUR	9	10
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	12	14
MSSL s.r.l. Unipersonale MSSL Holding: 100% Country: Italy	Provides engineering, design and prototype services, mainly to wiring harnesses customers in Europe. During the year MSSL GmbH sold the holding in MSSL s.r.l. Unipersonale to MSSL (GB) LTD.	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	1,118	1,247
MSSL Japan Limited MSSL Holding:100% Country: Japan	Supplies wiring harness for heavy commercial vehicles.	JPY	1,357	1,903
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	24	25
MSSL WH System (Thailand) Co. MSSL Holding: 100% Country: Thailand	Manufacturing of wiring harness for leading OEMs.	THB	538	577

Subsidiaries	Nature of business	Currency	Revenue 2018-19 in million	Revenue 2019-20 in million
MSSL Korea WH Ltd. MSSL Holding: 100% Country: Korea	Supply wiring harness in Korea.	KRW	2,879	2,627
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. During the year MSSL (S) Pte Ltd sold the holding in MSSL Ireland Pvt. Ltd to MSSL (GB) LTD.	SGD	4	2
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	1	1
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	10	9
MATA Ireland MSSL Holding: 100% Country: Ireland	The Company has one aircraft which is used for passenger air transportation services.	EUR	1	1
Motherson polymers compounding solution Pvt Ltd MSSL Holding: 100% Country: India		INR	17	17
Motherson Innovations tech limited MSSL Holding: 100% Country: India		INR	-	22

** 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.

Other than wholly owned subsidiaries:

The Company has following joint venture subsidiaries which are consolidated:

List of Subsidiary consolidated into the Company directly	Nature of business	Currency	Revenue 2018-19 in million	Revenue 2019-20 in million
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	-	-
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	52	50
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	202	171

List of Subsidiary consolidated into SMRPBV	MSSL Holding 2019-20	Country	Name of JV Partner/ Minority shareholder	Currency	Revenue in million	
					2018-19	2019-20
Re-Time Pty Limited	71.40% from August 08, 2019. Prior to that the Group had 28.6% share holding	Australia	Scientists	AUD	0.4	0.4
Motherson Ossia Innovations LLC	51%	USA	Ossia Inc.	USD	-	-
Changchun Peguform Automotive Plastics Technology Ltd (CPAT) (including step down subsidiaries)	50%	China	Changchun Automotive Trim Co. Ltd (CAIP)	CNY	259	263
Celulosa Fabril (Cefa) S.A. (includes Modulos Rivera Alta S.L.U.)	50%	Spain	Blanchard Family	EUR	110	151
Yujin SMRC Automotive Techno Corporation	50.9%	S. Korea	Yujin	KRW	95,782*	121,458

* For the period from August-2018 to March-2019

List of Subsidiary consolidated into PKC	Nature of Business	MSSL Holding 2019-20	Country	Name of JV Partner	Currency	Revenue in million	
						2018-19	2019-20
Jiangsu Huakai-PKC Wire Harness Co., Ltd.	Design, develop and manufacturing of Wiring Harness including components for automobile industry	50%	China	Jiangsu Huakai Wire Harness Co., Ltd	CNY	578	679
PKC Vehicle Technology (Hefei) Co, Ltd.	Design, develop and manufacturing of Wiring Harness including components for automobile industry	50%	China	Hefei Jianghuai Automobile Co., Ltd.	CNY	545	565
Shangdong Huakai-PKC Wire Harness Co., Ltd.	Design, develop and manufacturing of Wiring Harness including components for automobile industry	50%	China	Jiangsu Huakai Wire Harness Co., Ltd	CNY	31	167

The impact of minority interests for these entities, including SMRP BV which is held 49% by Samvardhana Motherson International Limited is ₹ 1,244 million compared to ₹ 4,850 million in previous year

Joint Ventures Consolidated by Company:

The Company has following joint ventures which are accounted using equity method:

Joint Ventures	Nature of business	MSSL Holding 2019-20	Country	Joint Venture Partner	Currency	Revenue in million	
						2018-19	2019-20
Kyungshin Industrial Motherson Ltd.	Wiring harness for Hyundai Motor India Ltd. And Kia Motors India.	50%	India	Kyungshin Corporation (KIC), South Korea	INR	13,834	16,053
Calsonic Kansei Motherson Auto Products ltd.	Manufacture of climate- control systems including HVAC modules, compressors, body control modules and meters clusters for the automotive industry.	49%	India	Calsonic Kansei, Japan	INR	4,255	4,829
Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd. (through SMR) Includes Chongqing SMR Huaxiang Automotive Products Limited & Tianjin SMR Huaxing Automotive Parts Co Limited)China	Manufacture of automotive mirrors, filler caps, exterior door handles.	50%	China	Between Ningbo Huaxiang Electronic Co., Ltd, and SMR Automotive Mirror Systems Holding Deutschland GmbH	CNY	1,279	1,288

Joint Ventures	Nature of business	MSSL Holding 2019-20	Country	Joint Venture Partner	Currency	Revenue in million	
						2018-19	2019-20
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	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%	Germany	Eissmann Automotive Slovensko s.r.o.	EUR	43	43
Hubei Zhengao PKC Automotive Wiring Company Ltd.	Manufacturing and supply of wiring harness	40%	China	Hubei Zhengao Auto Accessories Group Co., Ltd.	CNY	486	479

The Company's share in net profit of associates and joint ventures is INR 574 million in FY 2019-20 as compare to INR 1,131 million in FY 2018-19.

RISK MANAGEMENT

Mitigating risks from all directions is one of the challenges that the Company targets. Risks are an integral

part of business growth, but not all risks are created equal. Management and mitigation efforts must be

calibrated according to the likelihood of exposure and the potential downside from an incident. The Company is exposed to various risks within each of its business segments and products.

The Company has a global presence and decentralised management structure. At the Macro level the Company is exposed to risks associated with global organisations and automotive industry in particular. However, because of the decentralized structure risks are managed at the plant level making it imperative to have an organised risk management system. The first step in creating an effective risk-management system is to understand the qualitative distinctions among the types of risks that organizations face. 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 RMC takes into account a holistic understanding of the risks that can potentially impact the operations, as well as takes actions on how to effectively mitigate those risks to protect their assets and to keep operations running smoothly. The policy formulated outlines the risk management framework to help minimise the impact of uncertainty on the Company's strategic goals. The framework enables a structured and disciplined approach to risk management. The guidelines developed cover 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.

During the regular management meetings at all management levels, opportunities, risks and optimisation measures are reviewed in detail. Any exceptional situations having potential risks are identified and treated at the early stage to minimize their impact on financial and income positions.

The Risk Committee reviews various risks along with mitigation plans as well as likelihood and impact analysis in the following categories:

- Operational Risks, with internal and external risks
- Regulatory risks
- Financial and Accounting Risks
- I.T. and Information Security Risks ; and
- Strategic Risks

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

INTERNAL CONTROL SYSTEMS

Robust internal control processes form the best practices of MSSL. With its wide global reach across 41 countries, the company needs to build systems and processes that are uniform in their approach and contribute in making the foundation of the organization stronger. The Company invests sizeable resources to ensure that internal control processes meet the best practices.

Over time the Company has built systems of internal control which are in syncronised to 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 Committee of the Board of Directors, comprising of independent directors reviews the audit plans, significant audit findings and adequacy of internal controls 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.

During the year, the company has introduced a new tool to further strengthen internal audit function of the company. The tool uses the modern techniques of data analytics for the internal audit purpose and thus have enhanced the depth, coverage and sharpness of the internal audits. The Audit Committee reviews the suggestions for improvement and gets the corrective actions implemented wherever necessary. The Company has also identified various business risks and laid down necessary procedures for mitigation of the same. Another important role of the committee is ensuring statutory compliances are adhered to at every 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, 2020

HUMAN RESOURCE

The human capital is the most precious asset of any organization. Motherson Sumi Systems Limited has a strong and diverse workforce where every employee is involved as "partners in progress" of the Company. The intangible asset comprises of all the competencies of the people within the organisation in terms of education, experience, potential and capacity. The huge diversity in MSSL's global workforce is all brought together by the common thread of inclusive growth and an unwavering commitment to the overall organisational vision.

MSSL believes that its employees are ambassadors who play a crucial role in building the brand. The unmatched commitment and ownership that employees have towards the organisation has translated in the growth of the company over the years. With the right support and encouragement, engaged and connected employees can go a long way in strengthening a powerful brand.

MSSL is a multinational, people-centric enterprise focusing on continual improvement. From ensuring occupational well-being to overall development, we take the onus of safeguarding the best interests of our workforce.

Training and development of employees

MSSL believes that the conscientious development of its employees through training and mentoring enables them to become dynamic professionals who provide high-quality service. Thus, we hire candidates who are willing to succeed and nurture them into a valuable resource.

A manufacturing firm needs tenacious employees who possess a willingness to succeed. We shoulder the responsibility of transforming our recruited candidates into a MSSL employee by familiarising them with the culture, values and practices of the company. Training programmes are so designed that help employees meet personal and professional goals. For us, skills are the stepping stones to achieving quality improvements. The employees, regardless of the office they hold, are enrolled for several skill-development programs from time to time. We have happily invested several man hours of class room training designed specifically to enhance memory and quick decision-making. Furthermore, to augment the skills of trained staff, web based e-learning platform has been developed and deployed across the organization to ensure comfortable learning at their workstation.

To promote competitiveness in our employees, we regularly organise **'Skill Competitions.'** Such activities instil the fervour of achievement and motivate them to bring finesse in their work by focusing on their skills and sharpening them through constant practice.

Intrinsic factors like accomplishment, recognition, and growth have the strongest correlation to high employee engagement and satisfaction. Employees seek challenging assignments to achieve self-actualisation and we reciprocate by responding to their professional aspirations. Our internal job postings, Quality Circles activities, Kaizens, innovation and suggestion schemes present a plethora of growth opportunities for them.

This is a conscious investment made by MSSL to boost the organisation's productivity and performance.

Creating a performance culture, working towards a common Vision.

We believe in the philosophy of 'Delivering Results by Developing People'. We firmly abide by this philosophy and reckon that Employee Involvement and Leadership delivers business results. One such result-oriented and developmental activity is QC (Quality Circles).

QC promotes innovative project ideas, implementations and teamwork. MSSL is successfully involving and evolving employees since '99 in this movement. Quality Circles facilitate an efficient demonstration of our employees' capabilities through collective problem-solving. This training on QC concepts enhances their work related knowledge and enables them to become proficient problem solvers and prepares them for handling higher responsibilities. Since QCs focus on the problems related to their work area, it reduces problems at the workplace and improves the quality of work life.

Currently, there are 1370 Quality Circles actively operating within the Motherson Group. 3,646+ quality projects have been completed by the Quality Circles within the group, out of which 670+ teams from MSSL and its various subsidiaries have completed 1,847+ Quality projects during the year.

Quality Circle Conventions are organised from time to time where the employees showcase their ideas and projects. This is our way of celebrating and rewarding innovation. Quality Circle activities help in fostering a culture with positive employee involvement, working towards one vision- To be a globally preferred solutions provider.

We live by the spirit of BY-BY (By Yourself, Better Yourself), we believe in raising the bar bit by bit and challenging ourselves to achieve new milestones. In line with this, we organise Annual Innovation Awards, Kaizen Competitions, and Quality Month Celebrations to underscore the culture of continuous improvement along with improved metrics and indices.

A considerable amount of work is being done towards harbouring the culture of 'trust and transparency' by following the Open Door Policy. 'WE-Listen' is an all-encompassing platform of the management that extends to the realms of establishing a system of fair practices and guiding principles for all employees to abide by. Employee centric policies have also been laid down to ensure a safe and secure working environment for all the employees.

We treat 'Meritocracy' as the only criteria to grow in the organization.

MSSL is not only an organization for its employees but is also their second home. Employees who join the organisation, find themselves amid an ocean of opportunities. They know that the only limitation to growth is the one they set for themselves. We boast of many success stories of our employees who have risen in the ranks and now hold significant leadership positions in the organisation.

Each employee of the organisation is proud to be part of the Motherson family who believes in achieving a series of small things to create a greater impact.

Integrating human rights into business

MSSL subscribes to the principle that every human being has the right to be treated with dignity, fairness and respect. The company upholds dignity, fundamental freedoms and human rights of employees, business partners and communities in which it operates.

Guided by Motherson values and beliefs and in accordance with internationally recognized standards of conduct, the organisation is committed to ensuring compliance and facilitating in creating an atmosphere that protects the Human and Labour Rights. The company believes in providing equal opportunity principles across its diverse workforce spread across 41 countries. Diversity in the workplace includes all differences that define each of us as individuals including; culture, ethnicity, race, gender, nationality, age, religion, disability, sexual orientation, education, opinions and beliefs. By understanding, respecting and valuing these differences we emerge a stronger and better organisation.

MSSL Responsiveness for all Stakeholders during COVID-19

As mentioned earlier, MSSL is a people-centric company. We believe in taking charge in adverse situations and turning uncertainties into opportunities. Although the ripples of COVID-19 are being felt across the globe, our people have managed to stay focused in these testing times. We are not just surviving the pandemic; we are also committed to thriving. We formed response task teams who were focused on the tasks that needed to be done. These teams ensured continuous employment activities to stay connected and remained resilient during the whole situation. We envision strengthening our position further against the backdrop of upcoming challenges and we stand together to deal with this situation with flexibility, resilience, faith and determination.

We are proud of our team who worked round the clock to set up the assembly line in our plant to assemble ventilators during the lockdown. This was done to support the maker on behalf of our customer to achieve higher production numbers. Our plants also used this time to prepare themselves for making masks and shields as preventive actions against the spread of pandemic.

The well-being of the employees and their families is a priority for the organisation and all locations/facilities have taken all the necessary steps to ensure safety while respecting the guidelines and mandates of local and global regulations.

The pandemic has taught us to work remotely across regions and countries. This experience will translate into savings in travel time, travel costs and increased productivity in the future. Our employees have shown tremendous responsiveness and flexibility in this crisis. They all are adapting to this new normal to bounce back quickly.

The response task force teams also worked day-in and day-out to define the operating procedures for plant resumption globally and everyone came together to ensure strict compliance to laid down norms by the various governments and adhering to it. They prepared a plan for resuming production in the plants taking into consideration all precautionary measures.

As an organisation we worked towards raising awareness among employees about safe work practices. We set up disinfection routines across all our plants globally. We also provided sanitisers and body temperature checks daily and ensured social distancing in all our operating locations.

All the plants/facilities are well-informed about the actions needed to be carried out in case of an illness irrespective of the fact whether the employee has fallen sick inside the premises or not. Our direct response to address the effects of COVID-19 is tailored to the specific and most urgent needs of our employees recognising different factors to contain the spread of the virus.

Large-scale attitudinal and space alterations have also been done in the workplace. We are encouraging our employees to go virtual with their meetings.

We are bound to face challenges in the coming time, but we are poised to overcome all the challenges with our 'Never Give Up Attitude'.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

Environment, Health & Safety (EHS) have always been a priority for MSSL and achieving excellence in health, safety and environmental matters is a company-wide responsibility. These values form part of the company's culture and are shared by employees at all levels and assignments and in all initiatives in which the company participates. They also demonstrate our commitment to being a responsible corporate citizen, proactively shouldering both social and economic responsibilities.

Every company of Motherson has its distinctive EHS policy that focuses on providing a safe and healthy workplace, complying with all regulations and adopting measures for the preservation and protection of the environment.

Environment Responsibility

Various initiatives are taken to protect the environment and encourage the development of environmental-friendly technologies across the product segments of MSSL. The company is gradually shifting its focus on reducing its carbon footprint worldwide by its ongoing innovations and technologies. MSSL is committed to eliminating waste - the continuing development of technologies that save energy, water and other resources, and which are characterized by minimal emission controls, reuse and recycling strategies.

MSSL complies with regulations and advocates progressive environmental policies as part of its corporate responsibility. Most of the units are accredited with ISO 14001. It also aims to comply with all applicable environmental legislations to prevent pollution and minimize environmental damage occurring as a result of its activities.

With countries across the globe gasping for good-quality air, trees are a ray of hope for a sustainable future. The drive to 'Go Green' has always been big at MSSL, a fact that can be validated by the grandeur of our Environment Day celebrations across the globe. The events witness a large number of employee participation, indulging in activities that generate awareness and are also a call for action for protecting the environment.

In its endeavor to become a 'Green Manufacturer', MSSL has explored and adopted the alternative energy source- 'Solar Power'. Solar is a clean, renewable source of energy that can help reduce carbon dioxide emissions and lower the adverse impacts on the environment. MSSL has successfully implemented the solar panel at its facilities in Noida, India. This is a major step towards sustainability and going forth we plan to implement the same across many of our facilities.

MSSL has constantly been emphasizing on optimization of energy conservation in every possible area. The organization has gradually shifted to LED lights in order to save energy at various plant and units of the company.

Initiatives taken for water conservation are rainwater harvesting and STP for water treatment which displays the organisation's environment stewardship.

We believe in doing our bit by judiciously consuming the limited natural resources and also minimizing our dependence on fossil fuels.

Social Responsibility

Safety is the way of life at MSSL. MSSL ensures that employees have a healthy and safe working environment that meets or exceeds applicable standards for occupational health and safety. The work environment ensures that employee safety is maximized, creating an environment to allow employees to achieve pre-determined objectives with the lowest possible level of risk of injury.

Responsible and effective standards and work practices that prevent risk to human health and the environment add significant shareholder value. This demands a structured approach to the identification of hazards and the evaluation and control of work-related risks. The value is created by reducing risks, liabilities and costs at all levels and also ensuring employee health and safety. The approach followed by MSSL is to pre-empt and prevent or mitigate both human and economic losses arising from accidents, adverse occupational exposures, and environmental events.

We are committed to ensuring a safe and secure workplace for our employees that forms the foundation of higher productivity and quality delivery to our end customers. Safety is non-negotiable for us and we are committed to propagating a culture of safety through meetings, committees, commitment boards, awareness sessions, promotional activities, walkthroughs etc.

Following the DNA of Motherson, we consider safety as our pinnacle precedence and as a team, department and organisation we are committed to creating an accident-free workplace. We have diligently incorporated safety at every level of our operation, seamlessly merging it with the 4 M's of Manufacturing – Man, Machine, Material and Method across all our processes. We are always prepared to tackle any contingency and have cultivated a holistic approach to ensure safety on the shop-floor and within the office premises. We follow the PDCA cycle to corroborate that there is no compromise on safety parameters.

To instill this very safety culture in all our employees, various promotional activities are carried out throughout the year, ranging from safety week celebration, road safety observance, and incident-free days celebrations etc. During these campaigns, a myriad of activities such as safety camps, training, mock drills, quizzes, poster making competitions, slogan writing competitions, plays and awareness sessions are organized to further induce the importance of safety in one and all. This helps infuse energy and confidence in employees and motivates them to exercise greater caution and exhibit complete conformance with all safety procedures.

At MSSL, we are driven by our guiding principles of QCDDMSES, which form the core elements of our foundation. These elements are grounded in the concept of sustainability for all our stakeholders. From being a "green" Company to embracing our diversity to caring for the communities in which we operate and where our employees live, MSSL strives to operate with the highest degree of ethical and professional conduct.

OPPORTUNITIES AND FUTURE PROSPECTS

The coronavirus outbreak has heavily impacted the automotive industry in FY 2019-20. Manufacturers have yet to return to full production capacity in different parts of the globe. This is likely to have a heavy impact on both car and component manufacturers. As the effects of the pandemic start to wane and the industry begin to recover, OEMs will explore various options to offset the drop in sales and attract consumers. Personal mobility modes are expected to make a strong comeback which includes two-wheelers. The sale of this segment is likely to surge.

Also, the pandemic has created a need for automobile manufacturers to focus on health and wellness solutions in vehicles. In the near future, innovation and technology will transform vehicles to more than just a means of transport.

Vision 2025

This year, MSSL launches its sixth five-year plan. The five-year plan is an important tool for MSSL, to bring together the entire organisation and to focus on a common goal.

Vision 2025 contains four key objectives, namely to achieve:

- USD 36 billion revenues in 2024-25 with 40% ROCE (consolidated)
- 3CX10: No country, customer or component should contribute more than 10% to our revenue
- 75% of revenues from automotive industry, 25% from new divisions
- 40% of consolidated profit as dividend

For MSSL the financial outcome is always the result of creating value for others. MSSL would continue to focus further expanding its product portfolio, increasing the content per car, building on future technologies and identifying opportunities and industry trends for being future ready. This drive to deliver more to the industry, thereby catering to the needs of the end-user, has helped MSSL position itself as a globally preferred solution provider to all its customers globally.

Calculation of Key Indicators (Ratio Analysis)

EBITDA	Profit before exceptional items, share of net profit of investments accounted for using equity method and tax + Finance costs + Depreciation and amortization expense - interest income - dividend income
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**	(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 + Lease liabilities excluding additional amount recognised as per Ind AS 116) ÷ Total equity (Equity attributable to owners of the Company + Non-controlling interests(in case of Consolidated financials))
Operating Profit Margin**	100 X (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*) ÷ (Profit before tax + Finance costs + Depreciation and amortization expense + Exceptional items (income)/ expense)

**other than unpaid dividend*

*** excludes all impact of Ind AS 116 Leases*

Note:

1. In computation of comparative ratios, the impact of implementation of Ind AS 116 – Accounting of Leases has been reversed, i.e. the lease expenses is not considered as part of other expenses and interest, depreciation & debt do not include impact of lease accounting.
2. Reference to Accounting Standard Ind As 115 : The Company implemented Accounting Standard Ind AS 115 - Revenue from contracts with Customers from 1-4-2018 with modified retrospective approach. Consequent upon implementation of this standard, the Company, in certain contracts where the Company has limited risks, recognizes only service income as against earlier practice of recognizing full revenues gross of bought-out components.

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**	2019-20
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 2019-20 Standalone ₹ in million	FY 2019-20 Consolidated ₹ in million
1	Paid up Capital	3,158	3,158
2	Total Turnover		
	(a) Revenue from operations	68,738	635,368
	(b) Other income	3,784	2,307
3	Total Profit After Taxes	8,988	11,701*

* after minority share

4. **Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** 0.32% (₹ 37 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 167) 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 Manufacturers (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 RESPONSIBILITYPOLICY/ POLICIES (REPLY IN Y/N)

S. No	Question	Principle (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	Do you have a policy for..	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify?	N	N	N	N	N	N	N	N	N
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	N	N	N	N	N	N	N	N	N
6	Indicate the link for the policy to be viewed online?	https://www.motherson.com/performance/mssl-investors/corporate-governance								
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 2019-20, 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.**

   The three product lines of the Company i.e. Integrated wiring harnesses, Rear View vision Systems and interior and exterior automotive modules incorporate principles of EMS in their product design, development and management system practices. As a responsible member of automotive supply chain, ensuring safety of all stake holders and keeping products and processes environmental friendly are of paramount importance for the Company.

   World over, out of their own social accountability and to comply with global regulations, the vehicle makers are aggressively working on advanced safety features. The Company is supporting its customers to achieve their safety and environment objectives by developing Wring Harness designs and components which are enabling Vehicles (across segments) to be compliant to Driver, Occupant and Pedestrian safety. Air Bag Harnesses and Advanced Braking System harnesses are essential elements for passive safety systems.

   We also provide solution of advanced harness systems for active safety. Developing halide free wires, finding new specialized engineering material with clean environmental foot and finger prints in making lighter and leaner components is in line to our strategic sustainable environmental commitment towards environment. Adopting and infusing advanced electronics in vehicle wiring harness systems has supported vehicle makers in meeting CAFÉ norms (thus have a cleaner environment) and to consumers to have lower cost of ownership of the vehicles

   Providing safe and stress free driving experience to the vehicle drivers through innovative active safety systems is the focal point of all engineering efforts in Rear View Mirror product line of the company. The company has developed innovative products for blind spot detection, Lane departure warning and Camera Based rear View System which not only enhance driving safety but add to vehicle aerodynamics also supporting their fuel efficiency.

   The module product line of the company is instrumental in development of newer engineered polymers which are lighter yet stronger and processing technologies to support our customers in offering vehicles which are safe, end of life environment friendly and offer better fuel efficiencies. By combining two manufacturing steps in one process step, the Company can produce door panel structures reinforced with natural fibers in a resource-efficient manner. The high use of 50% renewable raw materials also conserves resources and also significantly reduces the overall weight of the carrier. This in turn contributes to lower fuel consumption of the passenger vehicle. The use of supporting structures made of plastic is more resource-saving than structures made of metal. By reinforcing the plastic with recycled carbon fibres, the Company has succeeded in replacing metal support structures and significantly reducing the component weight while at the same time meeting all mechanical requirements. By reprocessing the carbon fibers, they can be used in a second life cycle.

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 strives to reduce energy usage, value the water supplies and protect them against contamination and limit landfill waste. In line with this objective, we are directing our efforts to enhance the use of alternative renewable energy sources. Solar energy is a sustainable alternative options used by implementing Solar Panels. We have already implemented roof top solar energy panels in many of the plants In India and have a plan in place to implement it across some others. The Company has also strived to reduce the use of water and enhanced the recycling and reuse by way of water processing through STP. The use of clean water has been substantially reduced in the new wire plant by using new technology, adiabatic cooling, able to save up to 95% of water consumption. This technology also provides greater efficiency in heat transfer, reduced maintenance and the total absence of polluting chemical agents. The intelligent Closed loop environment friendly cooling system installed in place of normal conventional evaporative cooling system for heat dissipation resulted in annual saving of 10000 KL of water with power saving of 30% against conventional system

   The Company has developed and is promoting Mirrors that are smaller in size and yet comply with the legal requirements for field of view. This helps in reducing the overall drag on the vehicle thereby improving the fuel efficiency of vehicles and contributing to lower emissions and cleaner environment.

   The Company 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 114,628 as on March 31, 2020 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 50,271 as on March 31, 2020 in the Company (including its Subsidiaries).

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

   There were 25,682 permanent female employees as on March 31, 2020 in the Company (including its Subsidiaries).

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

   There were 1,065 differently abled permanent employees as on March 31, 2020 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?**

   25%

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, 2020*
1	Child labour/ forced labour/ involuntary labour	Nil	Nil
2	Sexual harassment	4	1
3	Discriminatory employment	17	7

* Nil for MSSL Standalone

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

Permanent Employees	86%
Permanent Women Employees	86%
Casual/Temporary/Contractual Employees	92%
Differently abled employees	78%

   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 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**

      The Company is engaged in awareness of road safety by installing traffic blinkers and making rumble strips. The Company is enhancing infrastructure across business locations in rural areas for the health of the people.

   c) **Waste management & sanitation**

      Motherson initiates awareness for the use of Aerobins. Aerobinis 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 2019-20 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 Board's 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 ISO 45001(occupational health and safety). 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 Board's 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 https://www.motherson.com/performance/mssl-investors/corporate-social-responsibility. 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 INR 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 2019-20, the Company spent ₹ 37 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 33rd Annual Report together with the audited financial statements of the Company for the financial year ended March 31, 2020. 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, 2020 and for previous year ended March 31, 2019 are as follows:

₹ in Million

Particulars	Standalone		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Gross Revenue from operations	68,738	75,813	635,368	635,229
Net Revenue from operations	68,738	75,813	635,368	635,229
Other Income	3,784	1,865	2,307	2,202
Profit before depreciation, interest and tax	**14,803**	**14,593**	**54,320**	**55,686**
Less: Depreciation and amortisation expense	2,883	2,193	27,780	20,582
Less: Finance Costs	306	176	5,986	4,232
Less: Exceptional Expenses	-	-	-	-
Add: Share of profit / (loss) in associates	-	-	575	1,131
Profit Before Tax	**11,614**	**12,224**	**21,129**	**32,003**
Less: Provision for Tax	2,626	4,086	8,184	11,022
Less: Minority Interest	-	-	1,244	4,850
Profit after tax	**8,988**	**8,138**	**11,701**	**16,131**
Add: Balance brought forward	29,836	27,258	69,792	59,338
Profit available for appropriation	38,823	35,396	81,493	75,469

OPERATIONS AND PERFORMANCE

On consolidated basis for the financial year 2019-20, your Company achieved total revenue of ₹ 635,368 million in line with its revenue of ₹ 635,229 million of the previous financial year ended March 31, 2019. Net profit for the year is ₹ 11,701 million as comparable to the previous year's net profit of ₹ 16,131 million.

On standalone basis for the financial year 2019-20, your Company achieved total revenue of ₹ 68,738 million resulting in a decrease of about 9% over its total revenue of ₹ 75,813 million of the previous financial year ended March 31, 2019. The profit after tax for the year ended March 31, 2020 is ₹ 8,988 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.

The COVID-19 pandemic represents an unprecedented disruption to the global economy and world trade, as production and consumption are scaled back across the globe due to preventive directives from authorities' world over. COVID-19 outbreak continues to grow in most of the areas of the world with severe toll on health. The Company has taken a holistic approach to protect the interest of various stakeholders including employees, customers, investors and societies. The Company is in close contact with all our customers and receiving regular updates on plant reopening dates and customer schedules.

The Company has evaluated impact of COVID–19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers; (ii)revision of estimations of costs to complete the contract because of additional efforts; (iii) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID–19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

To further enhance liquidity in these uncertain times, the Board of Directors has accorded, in-principle, approval to raise up to ₹ 10,000 million and has delegated to its Committee of Directors to evaluate and decide on various borrowing proposals. From the aforesaid limit, the Company has availed a loan of ₹ 5,000 million by issue of 5000 Rated, Listed, Secured, Redeemable Non-Convertible Debentures ("NCDs") of face value of INR 1,000,000/- each, on a Private Placement Basis. The NCDs are listed on BSE Limited. The Company is also proactively working to leverage on various government support schemes to enhance liquidity.

DIVIDEND

On February 28, 2020, the Board of Directors announced an interim dividend of ₹ 1.50 (Rupee One and Fifty Paisa) per equity share for the Financial Year 2019-20, entailing a pay-out of ₹ 5,711 million (including dividend tax) i.e. 64% of the standalone profits of the Company and 49% of the consolidated profits of the Company.

The interim dividend has been paid to all the eligible shareholders and been taken as final dividend for the financial year 2019-20.

CREDIT RATING

Moody's Investor services has assigned Ba1 corporate family rating (CFR) to the Company.

In addition, the Company enjoy following domestic ratings:

Rating	ICRA	CRISIL	India Ratings and Research
Long Term	AA+; Rating placed on watch with negative implications	CRISIL AA+/Negative (Outlook revised from 'Stable' and rating reaffirmed)	IND AAA/RWN
Short Term	AA+; Rating placed on watch with negative implications; A1+	A1+	IND AAA/RWN/IND A1+
Commercial Papers	A1+	A1+	IND A1+
Non-convertible Debentures	-	-	IND AAA/RWN

RWN - Rating on watch

Further, Standard & Poor's Global Ratings ("S&P") has revised its rating for Samvardhana Motherson Automotive Systems Group B.V., Netherlands (SMRP BV), a subsidiary of the Company, for its long term credit at BB and Fitch Ratings ("Fitch") has rated SMRP BV at BB (Negative outlook) and revised outstanding secured bonds of SMRPBV to 'BB+'.

The revision in various rating, inter-alia, is due to the novel corona virus (Covid-19) outbreak across the World and its impact on the global auto component industry, market conditions, streamline of production lines at various greenfield(s) commenced production during financial year under review.

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, Ind AS 31 – Interests in Joint Ventures and Ind AS 116 – Leases, 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.

RE-ORGANIZATION OF THE BUSINESS

The Board of Directors of the Company at its meeting held on January 30, 2020 granted, in-principle approval for reorganization of business within the group which will, inter alia, demerge domestic wiring harness business of the Company into a newly formed legal entity with mirror shareholding, which shall be listed. Further, the Board in principle approved the proposal to consolidate shareholding in Samvardhana Motherson Automotive Systems Group B.V. ("SMRP BV") to become 100% under the Company. The Board of the Company has also constituted a sub-committee of directors to oversee said process and come back to the Board with a definitive proposal and scheme of reorganization. The Board of the Company, inter-alia, has empowered the said committee to evaluate and also to take all such necessary steps as may be required in this respect.

ACQUISITIONS

(a) During the year, Company's step down subsidiary SMR Automotive Australia Pty. Ltd., has further invested in Re-time Pty. Ltd. Accordingly, stake of SMR Automotive Australia Pty. Ltd. has increased from 35% to 71.4% and consequently Re-time Pty. Ltd. has become the indirect subsidiary of the Company.

(b) During the year, the Company's step down subsidiary PKC Wiring Systems Oy has acquired Wisetime Oy having principal address at Saaristonkatu 23, FI-90100 Oulu, Finland. Accordingly, stake of PKC Wiring Systems Oy has increased from existing 19% to 100% and consequently Wisetime Oy has become 100% indirect subsidiary of the Company. Wisetime Oy is an IT software Company.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

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 2019-20 are as follows:

   a. Subsidiary through incorporation:

      (i) Motherson PKC Harness Systems FZ-LLC (effective from July 7, 2019)

   b. Subsidiary through acquisition:

      (i) Re-time Pty. Ltd.; and

      (ii) Wisetime Oy.

2. Companies which ceased to be subsidiaries during financial year 2019-20 are:

   (i) SMR Automotive Servicios Mexico S.A. de C.V. (liquidated on July 2, 2019);

   (ii) PK Cables Nederland B.V (dissolved on July 10, 2019);

   (iii) PKC Netherlands Holding B.V. (dissolved on July 31, 2019); and

   (iv) Samvardhana Motherson Polymers Management Germany GmbH (merged into MSSL GmbH effective from August 30, 2019).

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 ₹ 9,975 million as against ₹ 9,878 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, Mr. Laksh Vaaman Sehgal and Mr. Shunichiro Nishimura (nominee of Sumitomo Wiring Systems Limited, Japan ("SWS")), Directors of the Company, retire by rotation in the ensuing Annual General Meeting. Mr. Laksh Vaaman Sehgal and Mr. Shunichiro Nishimura being eligible seek their re-appointment. Accordingly, the Board of Directors recommend the re- appointment of Mr. Laksh Vaaman Sehgal and Mr. Shunichiro Nishimura to the members of the Company.

The members in 29th Annual General Meeting ("AGM") held on August 31, 2016, inter-alia, appointed Mr. Naveen Ganzu as an Independent Director to hold office for five (5) consecutive years for a term upto October 13, 2020.

Mr. Naveen Ganzu is 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. Naveen Ganzu for second term of five (5) consecutive years, as mentioned in the notice convening 33rd Annual General Meeting of the Company, through special resolution.

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 33rd 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.

MATERIAL CHANGES BETWEEN THE END OF FINANCIAL YEAR AND 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 six (6) times during the financial year 2019-20 and the details of same are given in the Corporate Governance Report forming part of this 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 carried out an annual evaluation of its performance, Board committees and individual directors. The performance of the Board was evaluated by 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 on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board carried out the Annual Performance Evaluation for all Board Members as well as the working of the Board and its Committees 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. with specific focus on the performance and effective functioning of the Board and Committees for financial year 2019-20.

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 director 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, 2020, 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, 2020 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 ensure 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/E300005), 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.

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 2019-20, 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 2019-20.

Pursuant to 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 2019-20, 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, 2020.

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 2019-20, 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 INVESTMENTS

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 AND ARRANGEMENTS WITH RELATED PARTIES

Pursuant to Policy on Related Party Transaction of the Company, all contracts/ arrangements/ transactions entered by the Company during financial year with related parties which were on arm's length basis and were in ordinary course of business were approved by the Audit Committee and all contracts/ arrangements/ transactions entered by the Company during financial year with related parties which were on arm's length basis but not in ordinary course of business were approved by the Board of Directors. 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 in to 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 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 2020-21 have been paid to the said Stock Exchanges.

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 www.motherson.com.

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 behaviour, 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 www.motherson.com .

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 2019-20 in the prescribed Form MGT-9 is attached here with as Annexure–D, which is part of this Report. The same is also available on the website of the Company at www.motherson.com.

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 HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDERSSAL) 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 2019–20, there were no cases filed under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GREEN INITIATIVES

In compliance with the MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.motherson.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.

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: June 2, 2020

V. C. Sehgal
Chairman
DIN:00291126

Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

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

A. Conservation of energy

a) Steps taken or impact on conservation of energy:

The Company has constantly been emphasizing an optimization of energy consumption in every possible area in its units. Various avenues are being identified at periodic intervals and after careful analysis, 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.
- Hydrant line testing drain line connected with underground tank to avoid water wastage. (MAE Division)
- 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.
- 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.
- Furnace oil steam curing process implemented instead of electrical curing for Hoses. (MAE Division)
- Small Oven heating capacity increased from 150 deg C to 220 deg C by adding 3kw heaters to avoid using big oven for NPD and QA testing parts. (MAE 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 on 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 and 7 units will be ready by September, 2020.
- 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 conservations and such measures includes 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

FY 2020 was a year of implementing advanced emission technologies across modern road transportation vehicles. The Company deepened 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.

(i) the efforts made towards technology absorption;

Motherson Sumi Electric Wires, a division of the Company (MSEW) has taken various steps for technology absorption such as -

- Improve machine utilization by reducing take-up changeover;
- Motor coupled with gear box to improve energy transmission from motor to machine resulting in improvement in wire breaks;
- Acoustic sound proof cabinet to reduce noise level of plant;
- Auto pitch control to improve wire quality;
- Single bow machine to reduce power consumption and improve wire quality; and
- Recipe control process to avoid human intervention and first time right product manufacturing.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;

- Productivity enhancement;
- Reduction in Manpower;
- Rationalization of process eliminating NPS Process;
- Reducing WIP Inventory by process elimination; and
- Online process control for first time right.

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

- X- Linking through Electron Beam Radiation Technology

(a) the details of technology imported;

- In Electron Beam radiation X-linking process wire pass through electron beam where X-linking process of compounding perform to improve mechanical and thermal properties of wires.
- X- Link wire having good mechanical and thermal properties compare to normal PVC compound wires

(b) the year of import;

Year - 2020

(c) whether the technology been fully absorbed;

Under commissioning

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and

Under commissioning

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:

- Hybrid and 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.
- Enhancing modern model based design methodologies utilizing virtual validations to confirm designs and 3D Printers to quickly realize the prototypes. 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 has completed formation of its Technology & Application Center (TAC). A dedicated center for developing and absorption of new technologies & Applications to carter potential customer requirements and business needs .The focus areas are:

  - Pressure sensitive Adhesive lamination technologies and allied applications.
  - Automotive interior decoration applications.
  - Tooling Technologies for high volume & low cost production.
  - Low energy consumption.
  - Use of bio friendly materials.
  - Lightweight raw materials.
  - New product design & development to enhance human safety.

• MATE has developed IMD-INS (In mould Decoration – Insert) technology. We successfully developed design proto products for an OEM. This technology is being applied for upcoming new programs and a high technology facility is being set up using in-house Engineering expertise.

• MATE has developed "Pressure Sensitive Adhesive Lamination" technology and has set up the facility with in-house Engineering expertise. This set up is now under production and catering to various high volume production program requirements.

• MATE has applied new tooling technologies to reduce the cycle time, improving the product quality and cost by using conformal cooling, High thermal conductive mould materials.

• A state of art door trim assembly line is developed with in house Engineering expertise. This line demonstrates high volume production, employing error proofing employing various poka yoke tools including pick to light, vision, blind audit & complete traceability system.

• 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.
- 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.

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 brining out unique and cost effective solutions for the future developments.

4. Expenditure incurred on Research and Development.

    A) Capital : INR 1 Million

    B) Revenue : INR 260 Million

    C) Total : INR 261 Million

    D) Total R&D expenditure is 0.39% 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 power train (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, 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 designed and built the ultrasonic welding systems, hotplate welding systems, Assembly machines for door handles, tail gates etc., punching machines, clinching machines, belt conveyors, nut insertion machines, pokayoke systems with integration vision cameras' etc.

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

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

1. Efforts made towards technology absorption:

   - The Company kept a close association with collaborator for acquiring new technologies in the field of product and processes to cater to the needs of Indian automotive manufacturers;
   - 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 reduce 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 ₹ 9,514 million

2. Total foreign exchange earned and outgo

(₹ in Million)

a.	Total Foreign exchange earned in terms of actual inflows	12,704
b.	Total Foreign exchange outgo in terms of actual outflows	25,021

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	--
Mr. Takeshi Fujimi	--
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	97.4

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	10.0%
Mr. G.N. Gauba, Chief Financial Officer	10.0%
Mr. Alok Goel, Company Secretary	3.5% (prorated)

c) The percentage increase in the median remuneration of employees in the financial year: 10.74%

d) The number of employees on the rolls of company: 29,574

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 19-20 (₹ in million)	60.59
Revenue (₹ in million)	68,738
Remuneration of KMPs (as % of revenue)	0.088%
Profit before Tax (PBT) (₹ in million)	11,614
Remuneration of KMP (as % of PBT)	0.52%

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 19-20 (₹ in million)	28.30	23.58	8.72
Revenue (₹ in million)	68,738	68,738	68,738
Remuneration as % of revenue	0.041%	0.034%	0.013%
Profit before Tax (PBT) (₹ in million)	11,614	11,614	11,614
Remuneration (as % of PBT)	0.244%	0.203%	0.075%

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

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

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2019-20

Sl. No.	Particulars	Remarks
1.	Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	Our Company Vision is to create more inclusive and sustainable environment. Our commitment to CSR emanates from the business mission that guides us to set new standards in good corporate citizenship. Therefore, our CSR programs have been structured to be made sustainable, measurable, replicable, and scalable which will enable us carve out a reputation for being one of the most socially and environmentally responsible companies. Company shall identify and undertake all its CSR programs/projects/activities under the following broader thrust areas of CSR: • Skill Development and Vocation based education • Livelihood enhancement • Waste management and Sanitation • Environmental sustainability • Women and youth empowerment • Protection of national heritage, art and culture • Measures for benefit of armed forces • Rural Development Projects • Slum Area Development • Disaster Management including reliefs, rehabilitation and reconstruction activities. • National Missions Your Company has also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company www.motherson.com.
2.	Composition of the CSR Committee	1. Mr. V.C Sehgal –Chairman; 2. Mr. Arjun Puri- Member; and 3. Mr. L.V. Sehgal- Member
3.	Average net profit of the Company for last three financial years	₹ 11,521 million
4.	Prescribed CSR Expenditure (two percent of the amount as in Sl. No. 3 above)	₹ 230.42 million
5.	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year	₹ 230.42 million
	b) Amount unspent, if any	₹ 193.65 million
	c) Manner in which the amount spent during the financial year	As per details given below

Sl. No.	Particulars	Remarks
6.	In case the Company has failed to spend the two per cent, of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report	The Company has identified various CSR projects under benefit of armed forces, skill development, rural area development, sanitization and sustainable livelihoods for the underprivileged sections of society. These projects are implemented through implementing agency, Swarn Lata Motherson Trust. The Company is committed to continually identify projects that can create maximum impact on the society. In the previous/current year(s), the Company and the implementing agency were involved in detailed planning, need assessment, identification of beneficiaries and multiple stakeholders for such projects to ensure maximum benefits and sustainable development of the society. Some of the programs in skill development, rural area development, sanitization and sustainable livelihoods are multiyear projects. The project initiatives in previous years will be ramped up in coming years. These programs have long gestation periods & therefore are expected to see increased spending in line with their improved outcomes going forward in coming years. The Company is strongly committed to continually explore new opportunities which align to its CSR philosophy and create maximum impact and incrementally invest in CSR activities to spend CSR amount in the subsequent years. The expenditure on these projects shall be accounted for as and when incurred.
7.	A responsibility statement of the CSR Committee	The implementation and monitoring of Corporate Social Responsibility Policy, is in compliance with CSR objectives and Policy of the Company.

Manner in which the amount spent during the financial year

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent : direct or through implementing agency
1.	Noida Police Patrolling Unit	Clause (vi) of Schedule VII of the Companies Act, 2013:- benefit of armed forces	Noida, Uttar Pradesh	0.40 million	0.40 million	0.40 million	Direct
2.	Rural Area Development (Promotion of Road Safety)	Clause (vi) of Schedule VII of the Companies Act, 2013:- Rural Area Development	Pondur Village, Chennai	0.63 million*	0.54 million	0.54 million	Through implementing agency.

Sl. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (budget) project or programs wise	Amount spent on the projects or programs Subheads: (1) Direct expenditure on project or programs. (2) Overheads	Cumulative Expenditure up to the reporting period	Amount spent : direct or through implementing agency
3.	Sambhav Foundation-Skill Development	Clause (ii) of Schedule VII of the Companies Act, 2013:- promoting education, special education, vocational skills	Noida, Uttar Pradesh	5.62 million*	2.66 million	2.66 million	Through implementing agency.
4.	WASHE-Government Primary Schools	Clause (i) and (ii) of Schedule VII of the Companies Act, 2013:- sanitation and promoting education	Uttar Pradesh	28.86 million*	10.63 million	10.63 million	Through implementing agency.
5.	Nanhi Kali	Clause (ii) of Schedule VII of the Companies Act, 2013:- Promoting Education	Maharashtra	0.47 million	0.47 million	0.47 million	Direct
6.	For Aerobin	Clause (i) and (iv) of Schedule VII of the Companies Act, 2013:- Promotion of sanitation, ensuring environment sustainability	Delhi	0.24 million	0.24 million	0.24 million	Direct
7.	WWF India	Clause (iv) of Schedule VII of the Companies Act, 2013:- Ensuring environmental sustainability	Delhi	0.1 million	0.1 million	0.1 million	Direct
8.	People for Animals	Clause (iv) of Schedule VII of the Companies Act, 2013:- Animal welfare.	Delhi	0.13 million	0.13 million	0.13 million	Direct
9.	Delhi Police Martyrs Fund	Clause (vi) of Schedule VII of the Companies Act, 2013:- Benefit of armed forces	Delhi	0.3 million	0.3 million	0.3 million	Direct
10.	Covid 19 Relief fund	Clause (viii) of Schedule VII of the Companies Act, 2013:- Contribution to the Prime Minister's National Relief Fund	Delhi	0.02 million	0.02 million	0.02 million	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 31st March, 2020
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, BandraKurla 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	Kfin Technolgies Pvt. Ltd. (formerly Karvy Fintech Pvt. Ltd.) Selenium Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Serlingampally, 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	72.6%
Polymer Products	29302	25.4%

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, 2020)	% of shares held	Applicable Section
1.	MSSL Mauritius Holdings Limited C/O Abax Corporate Services Ltd., 6th Floor, Tower A, 1 Cyber City, Ebene, Mauritius	N.A.	Subsidiary	100%	2(87)(ii)
2.	Motherson Electrical Wires Lanka Pvt. Ltd. 32km Stone, High level Road, Pinnalanda Estate, Watareka, Padukka, Sri Lanka	N.A.	Subsidiary	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% 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 PayaLebar Road # 04-08/09, Singapore - 409030	N.A.	Subsidiary	100%	2(87)(ii)
5.	Motherson Innovations Tech Limited (formerly MSSL Automobile Component Ltd.) Unit 705, C Wing, ONE BKC, G Block, BandraKurla 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 DolníŘedice, 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, 2020)	% 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.	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)
17.	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)
18.	MSSL Ireland Private Ltd. Mayne Lower, Old Dublin Road, Enniscorthy Co. Wexford, Ireland	N.A.	Subsidiary through MSSL (GB) Limited	100%	2(87)(ii)
19.	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)
20.	Motherson Elastomers Pty. Ltd. 48-86 Powell Street, Bendigo, Victoria, 3550, Australia	N.A.	Subsidiary through MSSL Australia Pty Ltd	100%	2(87)(ii)
21.	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)
22.	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)
23.	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)
24.	Vacuform 2000 (Pty) Ltd. 155 Van Eden Crescent, Rosslyn, Pretoria, South Africa	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	51%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
25.	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)
26.	MSSL WH System (Thailand) Co., Ltd. 500/59 Moo 3 Hemaraj Eastern Seaboard Industrial Estate, TambonTasith, AmphurPluakdaeng, Rayong 21140, Thailand	N.A.	Subsidiary through MSSL (S) Pte. Ltd.	100%	2(87)(ii)
27.	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)
28.	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)
29.	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)
30.	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)
31.	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)
32.	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)
33.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
34.	MSSL Manufacturing Hungary Kft Szabadságutca 35, 9245 Mosonszolnok, Hungary	N.A.	Subsidiary through MSSL GmbH	100%	2(87)(ii)
35.	Motherson Air Travel Pvt. Ltd. Moyne Lower, Old Dublin Road Enniscorthy Ireland	N.A.	Subsidiary through MSSL Mideast (FZE)	100%	2(87)(ii)
36.	MSSL Estonia WH OÜ Lõõtsatn 8, Lasnamäe district, Harju county, 11415 Tallinn, Estonia	N.A.	Subsidiary through MSSL (GB) Ltd.	100%	2(87)(ii)
37.	Samvardhana Motherson Global Holdings Limited ThemistokliDervi 3, Julia House P.C. 10066 Nicosia (Cyprus)	N.A.	Subsidiary through MSSL Mauritius Holdings Ltd.	51%	2(87)(ii)
38.	Samvardhana Motherson Automotive Systems Group B.V. Hoogoorddreef 15 1101BA Amsterdam	N.A.	Subsidiary through Samvardhana Motherson Global Holdings Limited (SMGHL)	- 69% held by SMGHL - 31% held by SMPL	2(87)(ii)
39.	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)
40.	SMR Automotive Technology Holding Cyprus Ltd. ThemistokliDervi 3, Julia House P.C. 1066 Nicosia (Cyprus)	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
41.	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)
42.	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)
43.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
44.	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)
45.	SMR Automotive Mirror Technology Holding Hungary Kft Szabadsag u. 35, PF 15, 9245 Mosonszolnok, Hungary	N.A.	Subsidiary through SMR Automotive Technology Holding Cyprus Ltd.	100%	2(87)(ii)
46.	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)
47.	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)
48.	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)
49.	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)
50.	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)
51.	SMR Automotive Beijing Co. Ltd. RM104, #8 Building, No. 2 Jinsui Road, South Faxin Town, Shunyi District, Beijing, China (101300)	N.A.	Subsidiary through SMR Automotive Holding Hong Kong Ltd.	100%	2(87)(ii)
52.	SMR Automotive Yancheng Co. Ltd. No.7 Jinshajiang Road, Economic and Technical Development Zone, Yancheng, Jiangsu, China (224007)	N.A.	Subsidiary through SMR Automotive Holding Hong Kong Ltd.	100%	2(87)(ii)
53.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
54.	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)
55.	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)
56.	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)
57.	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)
58.	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)
59.	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)
60.	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)
61.	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)
62.	SMR Automotive Vision Systems Mexico S.A. de C.V. CircuitoExportacion 133, Parque Industrial TresNaciones 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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
63.	Samvardhana Motherson Corp Management Shanghai Co. Ltd Unit D, 8th Floor, Building D, No. 207 Songhong Road, Changning District, Shanghai, China (200335)	N.A.	Subsidiary through SMR Automotive Mirrors Stuttgart GmbH	100%	
64.	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)
65.	SMR Automotive Brasil LTDA Av Pacifico Moneda 3360, SitioVargeao, BairroCapotuna Jaguaríuna, Sao Paulo, Brasil	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft	100%	2(87)(ii)
66.	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)
67.	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)
68.	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)
69.	SMR Automotive (Langfang) Co. LTD No.4 Baohai Road, Xianghe Modern Industrial Park, Langfang, Hebei Province, China (065400)	N.A.	Subsidiary through SMR Automotive Mirror Systems Holding Deutschland GmbH	100%	2(87)(ii)
70.	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)
71.	SMR Mirrors 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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
72.	Samvardhana Motherson Peguform GmbH Am Germanenring 3 63486 Bruchköbel	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	100%	2(87)(ii)
73.	SMP Automotive Interiors (Beijing) Co. Ltd. BHAP Benz Components Industrial Zone, Room 101, Building 6, Yard 2, Rongxing North 1st Street, Beijing Economic and Technical Development Zone, Beijing, China (100176)	N.A.	Subsidiary through Samvardhana Motherson Automotive Systems Group B.V.	100%	2(87)(ii)
74.	SMP Deutschland GmbH Schlossmattenstraße 18 79268 Bötzingen	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH (SMP)	- 94.80% held by SMP - 5.20% held by SMGHL	2(87)(ii)
75.	SMP Logistik Service GmbH Schloßmattenstraße 18 79268 Bötzingen	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)
76.	SMP Automotive Solutions Slovakia s.r.o. Matúškovo 1586 92501Matúškovo, Slovakia	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)
77.	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)
78.	Foshan Peguform Automotive Plastics Technology Co., Ltd. Workshop A, No.17GuanyaoQianjin East Road, Shishan Town, Nanhai District, Foshan, Guangdong Province, China (528237)	N.A.	Subsidiary through Changchun Peguform Automotive Plastics Technology Co., Ltd.	100%	2(87)(ii)
79.	SMP Automotive Technology Management Services (Changchun) Co. Ltd. No. 399 Xiang Fan Road,Changchun Economic & Technical Development Zone, 130033 Changchun, Jilin Province, China	N.A.	Subsidiary through SMP Deutschland GmbH	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
80.	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)
81.	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)
82.	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)
83.	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)
84.	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)
85.	SMP Automotive Produtos Automotivos do Brasil Ltda. RuaSebastião 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)
86.	SMP Automotive Exterior GmbH Ludwig-Erhard-Str. 1, 84069 Schierling	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
87.	Samvardhana Motherson Innovative Autosystems B.V. & Co.KG Am Germanenring 3 63486 Bruchköbel	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
88.	Samvardhana Motherson Innovative Autosystems Holding Company BV Am Germanenring 3 63486 Bruchköbel	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
89.	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)
90.	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V. Circuito Sur No. 10 Zona Industrial Chachapa C.P.-72990 Amozoc de MotaPueblaelectric wires	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)
91.	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)
92.	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)
93.	Motherson Innovations Deutschland GmbH Hedelfinger Strasse 60 70327 Stuttgart, Germany	N.A.	Subsidiary through Motherson Innovations Company Limited	100%	2(87)(ii)
94.	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)
95.	Motherson Ossia Innovations LLC c/o Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801	N.A.	Subsidiary through Motherson Innovations Company Limited	51%	2(87)(ii)
96.	Samvardhana Motherson Global (FZE) H3-05B, Post Box 513142, SAIF Zone, Sharjah	N.A.	Subsidiary through Samvardhana Motherson Reflectec Group Holdings Ltd.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
97.	SMR Automotive Industries RUS Limited Liability Company Finlyandskiy prospekt 4 lit.A office 728, Saint-Petersburg,Russia	N.A.	Subsidiary through SMR Automotive Mirror Technology Holding Hungary Kft.	100%	2(87)(ii)
98.	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)
99.	Modulos Ribera Alta S.L.U Crta. De Logroño, km 27,5. Figueruelas. Zaragoza	N.A.	Subsidiary through CelulosaFabril (Cefa) S.A.	100%	2(87)(i)
100.	Motherson Innovations Lights GmbH & Co KG Theodor-Körner-Str. 14a 83301 Traunreut	N.A.	Subsidiary through Samvardhana Motherson Peguform GmbH	100%	2(87)(ii)
101.	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)
102.	PKC Group Oy Bulevardi 7 FI-00120 Helsinki Finland	N.A.	Subsidiary through MSSL Estonia WH OU	100%	2(87)(ii)
103.	PKC Wiring Systems Oy Vihikari 10 FI-90440 Kempele Finland	N.A.	Subsidiary through PKC Group Oy	100%	2(87)(ii)
104.	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)
105.	PKC Wiring Systems Llc Šalinačka bb, 11300 Smederevo Serbia	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
106.	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)
107.	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)
108.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
109.	PKC Group Mexico S.A. de C.V. ProlongaciónAvenida Hidalgo 16, Parque Industrial San Carlos, Nogales, Sonora, CP 84094 Mexico	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
110.	Project Del Holding S.a.r.l. (Project Del) 412F, route d'Esch L-2086, Luxembourg Luxembourg	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
111.	PK Cables do Brasil Industria e Comercio Ltda Campo Alegre, State of Santa Catarina, in the Rodovia SC 301, 4195, Fragoso, Zip Code 89.294-000	N.A.	Subsidiary through PKC Wiring Systems Oy. (PKC Wiring)	-97.19% held by PKC Wiring -2.81% held by Project Del Holding S.A.R.L.	2(87)(ii)
112.	PKC Eesti AS Lõõtsa 8 11415 Tallinn Estonia	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
113.	TKV-sarjat Oy (TKV) Vihikari 10 FI-90440 Kempele Finland	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
114.	PKC SEGU Systemelektrik GmbH Am Eisberg 14 D-36456 Barchfeld Germany	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
115.	Groclin Luxembourg S.àr.l. 412F, route d'Esch L-2086, Luxembourg Luxembourg Luxembourg: B195512	N.A.	Subsidiary through PKC Group Poland Holding Sp. z.o.o.	100%	2(87)(ii)
116.	PKC Vehicle Technology (Suzhou) Co., Ltd. Block 1, Unit 502-503 Ascendas Xin Su Industry Square INO.5 Xinghan Street SIP Suzhou Industrial Park, Jiangsu Province (215021) P.R.China	N.A.	Subsidiary through PKC Group APAC Ltd.	100%	2(87)(ii)
117.	AEES Inc. 36555 Corporate Drive Suite 300, Farmington Hills, MI 48331 USA	N.A.	Subsidiary through PKC Group USA Inc.	100%	2(87)(ii)
118.	PKC Group Lithuania UAB J. Janonio g. 4 LT-35101 Panevezys Lithuania	N.A.	Subsidiary through PKC Eesti AS	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
119.	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)
120.	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)
121.	Kabel-Technik-Polska Sp. zo.o. Pławieńska 5, 78-550 Czaplinek, Poland	N.A.	Subsidiary through Groclin Luxembourg S.a.r.l.	100%	2(87)(ii)
122.	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)
123.	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)
124.	Fortitude Industries Inc. 7200 County Route 70A, Hornell, NY 14843, USA	N.A.	Subsidiary through AEES Inc.	100%	2(87)(ii)
125.	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)
126.	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)
127.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
128.	Arneses y Accesorios de México, S. de R.L de C.V. Km. 5.823 CarreteraPresala Amistad SN, Col. Parque IndustrialAmistad, Ciudad Acuña, Coahuila, Mexico. C.P. 26220	N.A.	Subsidiary through Project Del Holding S.a.r.l.	100%	2(87)(ii)
129.	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)
130.	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)
131.	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)
132.	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)
133.	Motherson Rolling Stock Systems GB Limited Litchurch Lane Derby DE24 8ADc/o MSSL (GB) Limited Albany Road, Gateshead, Tyne and Wear, NE8 3AT	N.A.	Subsidiary through KabelTechnikPolska Sp. z.o.o	100%	2(87)(ii)
134.	Jiangsu Huakai-PKC Wire Harness Co., Ltd. No.1 West Ring Road, Xinqiao, Danbei Town, Danyang City Jiangsu Province, China (212322)	N.A.	Subsidiary throughPKC Group APAC Limited	50%	2(87)(i)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
135.	PKC Vehicle Technology (Hefei) Co, Ltd. No. 62 Shixin Road, Economic and Technical Development Zone, Hefei City, Anhui Province, China Post Code: 230000	N.A.	Subsidiary through PKC Group APAC Limited	50%	2(87)(i)
136.	Shangdong Huakai-PKC Wire Harness Co., Ltd. No.1925 Fengxiang Road Fangzi District, Weifang City, Shandong Province, China (261200).	N.A.	Subsidiary through Jiangsu Huakai-PKC Wire Harness Co., Ltd	100%	2(87)(i)
137.	Motherson PKC Harness Systems FZ-LLC Plot No. 57D, Al Hamra Industrial Zone F2, PO Box: 5422, Ras Al Khaimah, UAE	N.A.	Subsidiary through PKC Eesti AS	100%	2(87)(ii)
138.	Shenyang Peguform Automotive Plastic Components Co.. Ltd. No. 118, Jianshe Road, Dadong District, Shen Yang, Liaoning Province, China (110042)	N.A.	Subsidiary through Changchun Peguform Automotive Plastics Technology Co. Ltd.	100%	2(87)(ii)
139.	Tianjin SMP Automotive Component Company Limited No.99 Zhonghuan South Road, Free Trade Experimentation Area (Airport Economic Zone), Tianjin, China	N.A.	Subsidiary through Changchun Peguform Automotive Plastics Technology Co. Ltd.	100%	2(87)(ii)
140.	SMRC Automotive Holdings B.V. Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRP B.V.	-85.2% held by SMRP B.V. -14.74% held by SMRC Interiors	2(87)(ii)
141.	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)
142.	SMRC Automotive Interiors Management B.V. Atrium building, 8th floor, Strawinskylaan 3127, 1077 ZX Amsterdam, The Netherlands	N.A.	Subsidiary through SMRP B.V.	100%	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
143.	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)
144.	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)
145.	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)
146.	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)
147.	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)
148.	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)
149.	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.	- 99.70% held by SMRC Automotive Holdings Netherlands B.V. - 0.30% held by Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U	2(87)(ii)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
150.	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.	- 99.75% held by SMRC Automotive Holdings Netherlands B.V. - 0.25% held by SMRC Automotives Techno Minority Holdings B.V.	2(87)(ii)
151.	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)
152.	SMRC Automotive Interiors Products Poland SA (in liquidation) 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)
153.	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)
154.	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)
155.	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)
156.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
157.	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)
158.	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	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
159.	SMRC Automotive Smart Interior Tech (Thailand) Ltd. No. 62 Moo 4 Eastern Seaboard Industrial Estate (Rayong), TambolPluakdaeng, AmphurPluakdaeng, Rayong Province 21140, Thailand	N.A.	Subsidiary through SMRC Automotive Holdings Netherlands B.V.	100%	2(87)(ii)
160.	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)
161.	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)
162.	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)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
163.	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)
164.	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)
165.	MSSL M Tooling Level 6 Tower A 1, Cyber City Ebene, Mauritius	N.A.	Subsidiary through MSSL Mauritius Holding Limited	100%	2(87)(ii)
166.	Re-time Pty Limited Suite 6, 15 King William Road, Unley SA 5061, Australia (effective from	N.A.	Subsidiary through SMR Automotive Australia Pty. Ltd.	71.4%	2(87)(ii)
167.	Wisetime Oy Saaristonkatu 23, FI-90100 Oulu, Finland	N.A.	Subsidiary through PKC Wiring Systems Oy	100%	2(87)(ii)
168.	Saks Ancillaries Limited Unit 705, C Wing, ONE BKC, G Block, BandraKurla 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)
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 Ltd. Xizhou Industrial Development Zone, Xiangshan, Zhejiang Province, 315722, P.R. China	N.A.	Joint Venture	50%	2(6)

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE (As on March 31, 2020)	% of shares held	Applicable Section
172.	Chongqing SMR Huaxiang Automotive Products Ltd. No.38Sendi Avenue, Xipeng Town, Jiulongpo District, Chongqing, 401326 China	N.A.	Joint Venture.	50%	2(6)
173.	Tianjin SMR Huaxiang Automotive Products Ltd. No.4ShengdaErzhi Road, Saida Industrial Area, Xiqing Economic and Technical Development Zone, Tianjin, China (300380)	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.	Hubei ZhengAo PKC Automotive Wiring (Electrical System) Company Ltd No.9, Dongfeng Road, Maojian District, Shiyan City, Hubei Province, P.R. China (261000)	N.A.	Joint Venture	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 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	16630226	0	16630226	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 Corp.	1055750653	0	1055750653	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):-	**1072380879**	**0**	**1072380879**	**33.96**	**1072380879**	**0**	**1072380879**	**33.96**	**0.00**
(2) Foreign									
a) NRIs - Individuals	73165402	0	73165402	2.32	73165402	0	73165402	2.32	0.00

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	803740265	0	803740265	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):-	**876905667**	**0**	**876905667**	**27.77**	**876905667**	**0**	**876905667**	**27.77**	**0.00**
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**1949286546**	**0**	**1949286546**	**61.73**	**1949286546**	**0**	**1949286546**	**61.73**	**0.00**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds/UTI	267736246	0	267736246	8.48	354075586	0	354075586	11.21	2.73
b) Alternate Investment Fund	9453258	0	9453258	0.30	5399960	0	5399960	0.17	(0.13)
c) Banks / FI	21186746	46975	21233721	0.67	24940222	46975	24987197	0.79	0.12
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	8359195	0	8359195	0.26	43487697	0	43487697	1.38	1.12
h) FIIs /FPIs	571977702	12804	571990506	18.11	489457139	12804	489469943	15.50	(2.61)
i) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
j) Others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	**878713147**	**59779**	**878772926**	**27.83**	**917360604**	**59779**	**917420383**	**29.05**	**1.22**
2. Non- Institutions									
a) Bodies Corporation									
i) Indian	58582820	357806	58940626	1.87	30669303	355055	31024358	0.98	(0.89)
ii) Overseas	0	0	0	0					
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	151375839	11165544	162541383	5.15	157550635	9004470	166555105	5.27	0.12

Category of Shareholders			No. of Shares held at the beginning of the year (As on 01.04.2019)				No. of Shares held at the end of the year (As on 31.03.2020)				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
		ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	75534316	615083	76149399	2.41	62281373	615083	62896456	1.99	(0.42)
	c)	NBFCs registered with RBI	441797	0	441797	0.01	4443	0	4443	0	(0.01)
	d)	Others (specify)									
		i) Trust & Foundations	15796602	109	15796711	0.50	16798763	109	16798872	0.53	0.03
		ii) Clearing Member	4484622	0	4484622	0.14	2663067	0	2663067	0.00	(0.14)
		iii) Non Resident Indian	11042526	300	11042826	0.35	10754303	0	10754303	0.15	(0.20)
		iv) IEPF	476164	0	476164	0.02	529879	0	529879	0.02	0.00
		v) Foreign Nationals	1237	0	1237	0.00	525	0	525	0.00	0.00
		Sub-total (B)(2):- Total Public	**317735923**	**12138842**	**329874765**	**10.45**	**281252291**	**9975017**	**291227308**	**9.22**	**(1.23)**
		Shareholding (B)=(B)(1)+ (B) (2)	**1196449070**	**12198621**	**1208647691**	**38.27**	**1198612895**	**10034796**	**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)			**3145735616**	**12198621**	**3157934237**	**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 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			
		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	1055750653	33.43	2.30	1055750653	33.43	8.06	0.00
2	Sumitomo Wiring Systems Ltd.	792637291	25.10	0.00	792637291	25.10	0.00	0.00
3	Vivek Chaand Sehgal	73165402	2.32	0.00	73165402	2.32	0.00	0.00
4	Geeta Soni	8610328	0.27	0.00	8610328	0.27	0.00	0.00
5	Neelu Mehra	7869690	0.25	0.00	7869690	0.25	0.00	0.00
6	Renu Sehgal	150085	0.00	0.00	150085	0.00	0.00	0.00

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2019)			Shareholding at the end of the year (As on 31.03.2020)			
		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
7	Laksh Vaaman Sehgal	123	0.00	0.00	123	0.00	0.00	0.00
8	H. K. Wiring systems Limited	7660351	0.24	0.00	7660351	0.24	0.00	0.00
9	Radha Rani Holdings Pte Ltd	3442623	0.11	0.00	3442623	0.11	0.00	0.00
	Total	**1949286546**	**61.73**	**2.30**	**1949286546**	**61.73**	**8.06**	**0.00**

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

	Shareholding at the beginning of the year (As on 01.04.2019)		Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	1949286546	61.73	1949286546	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.): - Bonus shares	No change during the reporting year			
At the end of the year			1949286546	61.73

(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 01-04-2019		Cumulative Shareholding at the end year 31-03-2020	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	ICICI Prudential Multicap Fund	101401938	3.21	165927988	5.25
2.	SBI Equity Hybrid Fund	39818902	1.26	50497194	1.60
3.	Axis Capital Builder Fund - SR.1 (1540 DAYS)	36225691	1.15	5476357	0.17
4.	Europacific Growth Fund	33195000	1.05	0	0.00
5.	Reetha Shetty	30821155	0.98	28721155	0.91
6.	Reliance Emergent India Fund	26248393	0.83	32682461	1.03

Sl. No	Name	Shareholding at the beginning of year 01-04-2019		Cumulative Shareholding at the end year 31-03-2020	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
7.	ICICI Prudential Life Insurance Company Limited	18180700	0.58	25529704	0.81
8.	Tree Line Asia Master Fund (Singapore) Pte Ltd	23040000	0.73	18180000	0.58
9.	RWC Emerging Markets Equity Master Fund Limited	22791440	0.72	0	0.00
10.	Aditya Birla Sun Life Trustee Private Limited A/C	9868548	0.31	22098453	0.70
11.	UTI - Arbitrage Fund	21735102	0.69	26058085	0.83
12.	Hermes Investment Funds Plc on behalf of Hermes GL	20026364	0.63	34632855	1.10

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.

(v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of shares at the beginning (01.04.2019)/ end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1.	Mr. Vivek Chaand Sehgal	73165402	2.32	01.04.2019	--	--	73165402	2.32
2.	Mr. Sushil Chandra Tripathi, IAS (Retd.)#	0	0.00	01.04.2019	--	--	0	0.00
3.	Mr. Shunichiro Nishimura	0	0.00	01.04.2019	--	--	0	0.00
4.	Mr. Arjun Puri	3750	0.00	01.04.2019	--	--	3750	0.00
5.	Mr. Gautam Mukherjee	0	0.00	01.04.2019	--	--	0	0.00
				29.08.2019	10,000	Purchase from open market	10000	0.00
		10000	0.00	31.03.2020	--	--	10000	0.00
6.	Ms. Geeta Mathur	10125	0.00	01.04.2019	--	--	10125	0.00

Sl. No	Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2019 to 31.03.2020)	
		No. of shares at the beginning (01.04.2019)/ end of the year (31.03.2020)	% of total shares of the Company				No. of Shares	% of total shares of the Company
7.	Mr. Naveen Ganzu	211951	0.01	01.04.2019	--	--	211951	0.01
8.	Mr. Takeshi Fujimi*	0	0.00	01.04.2019	--	--	0	0.00
9.	Mr. Laksh Vaaman Sehgal	123	0.00	01.04.2019	--	--	123	0.00
10.	Mr. Pankaj Mital	99273	0.00	01.04.2019	--	--	99273	0.00
11.	Mr. G.N. Gauba	36450	0.00	01.04.2019	--	--	36450	0.00
12.	Mr. Alok Goel	75	0.00	01.04.2019	--	--	75	0.00

#2000 number of shares held jointly with spouse (First Holder). Mr. S.C. Tripathi being second holder.

*Appointed as Director on July 11, 2019.

V. INDEBTEDNESS

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

(₹ in Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2019)				
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	0	0
Total (i+ ii+ iii)	11,296	63	0	11,359
Change in Indebtedness during the financial year				
• Addition	2,776	63		2,839
• Reduction	0	0		0
Net Change	2,776	63		2,839
Indebtedness at the end of the financial year (31.03.2020)				
i) Principal Amount	14,068	126		14,194
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	4	0		4
Total (i+ii+iii)	14,072	126		14,198

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	24,140,748
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,674,953
	(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 or others, specify)	Nil
5.	Others, please specify:-	
	-Contribution to provident fund/ other funds	2,484,241
	Total (A)	**28,299,942**
	Ceiling as per the Act*	581,053,984

*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	6,90,000	6,60,000	6,90,000	6,50,000	3,30,000	30,20,000
• Commission	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	15,000,000
• Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
Total (1)	3,690,000	3,660,000	3,690,000	3,650,000	3,330,000	18,020,000
Name	Mr. Vivek Chaand Sehgal	Ms. Noriyo Nakamura#	Mr. Takeshi Fujimi#	Mr. Laksh Vaaman Sehgal	Mr. Shunichiro Nishimura	
Other Non-Executive Directors						
• Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	Nil	
• Commission						
• Others, please specify						
Total (2)	Nil	Nil	Nil	Nil	Nil	Nil
Total (1+2)	-	-	-	-	-	18,020,000
Ceiling as per the Act*						116,210,797

*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 KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Mr. G.N. Gauba - CFO

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	20,052,101
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,410,723
	(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 or others, specify)	Nil
5.	Others, please specify	
	- Contribution to provident fund/ other funds	2,113,971
	Total	**23,576,795**

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	7,759,620
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	413,304
	(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 or others, specify)	Nil
5.	Others, please specify	
	- Contribution to provident fund/ other funds	542,671
	Total	**8,715,595**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended March 31, 2020.

Form No. MR-3

SECRETARIAL AUDIT REPORT

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

To
The Members
Motherson Sumi Systems Limited

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, 2020 ("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 with additional fee wherever applicable, and other records maintained by the Company for the financial year ended on 31st March, 2020 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.

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 is in the process of strategic re-organization of its business within the group which will inter alia, demerge domestic wiring harness business of the Company into a new Company which shall be listed.

For SGS ASSOCIATES
Firm Regn No. S2002DE058200
Company Secretaries

D.P. Gupta
M. N. FCS 2411
C P No. 1509
UDIN:F002411B000307463

Date: June 2, 2020
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
Firm Regn No. S2002DE058200
Company Secretaries

D.P. Gupta
M N FCS 2411
C P No. 1509
UDIN:F002411B000307463

Date: June 2, 2020
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 six 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 Obligations 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, 2020, the Company has ten (10) Directors, of which nine (9) are Non-executive Directors including five (5) Independent Directors. The Board has one (1) Woman Director, being independent director 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, 2020, for which confirmation has been obtained from the Directors. Chairmanship/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 Chairmanship/Memberships held by them as on March 31, 2020 are given below:

Name of Director	Executive/ Non-Executive/ Independent	No. of Directorships in other Public Companies @	Committee membership in public companies @	Committee Chairmanship in public companies
Mr. V. C. Sehgal * DIN 00291126	Non-executive Chairman	5	1	0
Mr S.C. Tripathi, IAS (Retd.) DIN 00941922	Independent Director	7	7	3
Mr. Shunichiro Nishimura $ DIN 08138608	Non-executive Director	1	2	0
Mr. Arjun Puri DIN 0021190	Independent Director	3	4	1
Mr. Gautam Mukherjee DIN 02590120	Independent Director	1	3	2

Name of Director	Executive/ Non-Executive/ Independent	No. of Directorships in other Public Companies @	Committee membership in public companies @	Committee Chairmanship in public companies
Ms. Geeta Mathur DIN 02139552	Independent Director	8	10	5
Mr. Naveen Ganzu DIN 00094595	Independent Director	Nil	0	0
Mr. Laksh Vaaman Sehgal* DIN 00048584	Non-executive Director	6	1	0
Mr. Takeshi Fujmi $ DIN 08501292	Non-executive Director	Nil	0	0
Mr. Pankaj Mital DIN 00194931	Whole-time Director & Chief Operating Officer	2	1	0

* 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 herein 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. Takeshi Fujimi was appointed as Director effective July 11, 2019.

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 Regulations 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, 2020)	Category of directorship
Mr. V. C. Sehgal	Sun Pharmaceutical Industries Limited	Independent Director
Mr. S.C. Tripathi, IAS (Retd.)	Ginni Filaments Limited	Independent Director
	Religare Enterprises Limited	Independent Director
Mr. Shunichiro Nishimura	Nil	Not Applicable
Mr. Arjun Puri	Nil	Not Applicable
Mr. Gautam Mukherjee	Nil	Not Applicable

Name of the Director	Directorship in other Listed Company (as on March 31, 2020)	Category of directorship
Ms. Geeta Mathur	NIIT Limited	Independent Director
	JTEKT India Limited	Independent Director
	IIFL Finance Limited (formerly IIFL Holdings Limited)	Independent Director
	Info Edge (India) Limited	Independent Director
	IIFL Wealth Management Limited	Independent Director
Mr. Naveen Ganzu	Nil	Not Applicable
Mr. Laksh Vaaman Sehgal	Nil	Not Applicable
Mr. Takeshi Fujimi	Nil	Not Applicable
Mr. Pankaj Mital	Nil	Not Applicable

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.

Six (6) Board Meetings were held during the financial year 2019-20 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) May 27, 2019 (2) August 12, 2019 (3) November 11, 2019 (4) January 30, 2020 (5) February 10, 2020 and (6) February 28, 2020

The attendance record of meetings of Board of Directors is as below:

Sl. No.	Name of Director	No. of Board Meetings Attended	Attendance at last Annual General Meeting
1.	Mr. V. C. Sehgal	6	Yes
2.	Mr. S.C. Tripathi IAS (Retd.)	6	Yes
3.	Mr. Shunichiro Nishimura	6	Yes
4.	Mr. Arjun Puri	6	Yes
5.	Mr. Gautam Mukherjee	6	Yes
6.	Ms. Geeta Mathur	5	Yes
7.	Mr. Naveen Ganzu	6	Yes
8.	Mr. Laksh Vaaman Sehgal	6	No
9.	Ms. Noriyo Nakamura *	Nil	Not Applicable
10.	Mr. Takeshi Fujimi **	2	Yes
11.	Mr. Pankaj Mital	6	Yes

* Ceased to be director effective July 11, 2019. Board Meeting during tenure was 1 (one).

** Appointed as director effective July 11, 2019. Board 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, 2020 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
Mr. Gautam Mukherjee	Independent Director	10,000
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

(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 January 16, 2020, 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 January 15, 2020 to January 16, 2020. At the familiarization programme, the independent directors visited plants of the Company located at Pithampur, Madhya Pradesh. 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 https://www.motherson.com/performance/mssl-investors

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 2019-20 was discussed by the Board at their meeting held on June 2, 2020.

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, 2020. 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 or create 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 in sights 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.

Core skills, expertise and competencies of the Directors:

Given below is a list of core skills, expertise and competencies of the individual Directors:

Name of Director	Skills / Expertise / Competencies							
	Financial	Gender, ethnic, national, or other diversity	Global business	Leadership	Technology	Mergers and acquisitions	Board service and governance	Customer support function
Mr. V.C. Sehgal	✓	✓	✓	✓	✓	✓	✓	✓
Mr. S.C. Tripathi, IAS (Retd.)	✓	-	✓	✓	✓	✓	✓	-
Mr. Shunichiro Nishimura	✓	✓	✓	✓	-	✓	✓	-
Mr. Arjun Puri	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Gautam Mukherjee	✓	✓	✓	✓	✓	✓	✓	✓
Ms. Geeta Mathur	✓	✓	-	✓	-	✓	✓	-
Mr. Naveen Ganzu	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Laksh Vaaman Sehgal	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Takeshi Fujimi	-	✓	✓	✓	✓	-	✓	-
Mr. Pankaj Mital	✓	✓	✓	✓	✓	✓	✓	✓

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 six (6) times during financial year 2019-20. 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 09, 2019 (2) May 25, 2019 (3) August 12, 2019 (4) September 25, 2019 (5) November 09, 2019 and (6) February 08, 2020.

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	6
Mr. Shunichiro Nishimura	Member	Non-executive (Nominee of SWS)	5
Mr. Arjun Puri	Member	Independent	6
Mr. Gautam Mukherjee	Member	Independent	6
Ms. Geeta Mathur	Member	Independent	5
Mr. Laksh Vaaman Sehgal	Member	Non-executive (Nominee of SAMIL)	6

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 acts as the Secretary to the Audit Committee.

The previous Annual General Meeting (AGM) of the Company was held on August 14, 2019 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 2019-20, the Committee met two (2) times i.e., May 25, 2019 and November 11, 2019.

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

Name	Designation	Category	Committee Meetings Attended
Mr. Gautam Mukherjee	Chairman	Independent	2
Ms. Geeta Mathur	Member	Independent	1
Mr. Laksh Vaaman Sehgal	Member	Non-executive	2

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 their performance evaluation;

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 2019-20, 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 per meeting 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, 2020 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.)	30,00,000	6,90,000	36,90,000
Mr. Arjun Puri	30,00,000	6,60,000	36,60,000
Mr. Gautam Mukherjee	30,00,000	6,90,000	36,90,000
Ms. Geeta Mathur	30,00,000	6,50,000	36,50,000
Mr. Naveen Ganzu	30,00,000	3,30,000	33,30,000

(b) Whole-time Director:-

Name of the Director	Salary	Amount (₹)
Mr. Pankaj Mital	Basic salary	19,452,012
	Bonus	1,945,201
	Benefits perquisites and allowances	6,902,729
	Total	**28,299,942**

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 be 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. During the financial year, one (1) meeting of the Committee was held, i.e., on November 09, 2019.

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

Name	Designation	Category	Committee Meeting(s) Attended
Mr. Gautam Mukherjee	Chairman	Independent	1
Mr. Shunichiro Nishimura*	Member	Non-executive	1
Mr. Pankaj Mital	Member	Executive	1

* During the financial year, there was a change in members of Committee due to cessation of Ms. Noriyo Nakamura and appointment of Mr. Shunichiro Nishimura w.e.f. August 12, 2019

The previous Annual General Meeting (AGM) of the Company was held on August 14, 2019 and the same was attended by Mr. Gautam Mukherjee, Chairman of the Stakeholders Relationship Committee.

Mr. Alok Goel, Company Secretary is the Compliance Officer of the Company.

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.

During the financial year 2019-20, two (2) meetings of the Committee were held on May 27, 2019 and November 11, 2019.

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

Name	Designation	Category	Committee Meetings Attended
Mr. V. C. Sehgal	Chairman	Non-executive	2
Mr. Arjun Puri	Member	Independent	2
Mr. Laksh Vaaman Sehgal	Member	Non-executive	2

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.,https://www.motherson.com/performance/mssl-investors

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.

During the financial year 2019-20, one meeting of the Committee was held on February 08, 2020.

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

Name	Designation	Category	Committee Meeting(s) Attended
Mr. Laksh Vaaman Sehgal	Chairman	Non-executive	1
Ms. Geeta Mathur	Member	Independent	1
Mr. Naveen Ganzu #	Member	Independent	1
Mr. Pankaj Mital	Member	Executive	1
Mr. Shunichiro Nishimura*	Member	Non-executive	1
Mr. G.N. Gauba.	Member	Official	1

During the financial year 2019-20, the Committee was reconstituted two (2) times:

*Ms. Noriyo Nakamura ceased to be a member of the Committee and Mr. Shunichiro Nishimura was appointed as the member of the Committee w.e.f. August 12, 2019.

#Mr. Naveen Ganzu was appointed as the member of the Committee by the Board of Directors on January 27, 2020.

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
Mr. Shunichiro Nishimura*	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

* During the financial year, there was a change in members of Committee due to cessation of Ms. Noriyo Nakamura and appointment of Mr. Shunichiro Nishimura w.e.f. August 12, 2019.

The terms of reference of the Committee, inter-alia, includes the following:

a) To open bank accounts special or otherwise for the purposes of business of the Company including for the purposes of payment of interest, dividend on shares etc. and for the said purpose authorize Directors and/or Officers to operate said accounts and for time to time vary such authorization and also to close such accounts as it may deem fit.

b) To authorise Directors and/or Officers of the Company to represent the Company before Government Authorities and other Authorities for setting up the units / factory of the Company, transfer of unit and also to close such units as it may deed fit.

c) To appoint Occupier for the factory(ies) of the Company under the Factories Act, 1948 and also appoint the Factory manager, if any.

d) To authorize Directors and/or officials of the Company to represent he Company before the Government and/or Non-Government Bodies and authorize them to do all such acts, deeds and things as it may deem fit in connection with the matters pertaining to such bodies and/or otherwise issue and execute power of attorney(s) in favour of any Director and/or officials of the Company or any other person for any general or specific purpose relating to the business and affairs of the Company.

e) To authorize any Director and/or officer of the Company and/or any person to attend and represent the Company at any Extraordinary General Meeting and/or Annual General Meeting or any other meetings of shareholders, Debentureholders or Creditors of the Companies in which the Company is a shareholders or Debentureholder or Creditor including signing the Postal Ballot form and other documents as may be required.

f) To file proceedings against any person and to defend proceedings against the Company, its Directors and officials by any person before any court of law, tribunal or any other authority with power to apply for compounding or offences / matters alleging violation of law by the Company or its officers to the Company Law Board, Income Tax Tribunal or court(s) or any other authority anywhere in India or abroad and to appoint Advocate(s), issue Power of Attorney and other documents.

g) To authorize such other power as are delegated to it from time to time by the Board of Directors.

h) To authorize any Director and/or officer of the Company for any other Administrative items required for the smooth operation not covered herein in the best interest of the Company.

The Committee met Six (6) times during the financial year 2019-20 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
Mr. Shunichiro Nishimura*	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

* During the financial year, there was a change in members of Committee due to cessation of Ms. Noriyo Nakamura and appointment of Mr. Shunichiro Nishimura w.e.f. August 12, 2019.

The Committee's role includes detailed review of following matters and make recommendation to the Board:

a) Acquisition proposals, Divestment and Business re-organization proposals;

b) Business & Strategy Review;

c) Long-term financial projections and cash flow;

d) To approve capex incurred by the Company or subsidiaries upto the limits as may be specified by the Board from time to time; and

e) Any other items as may be delegated by the Board.

During the financial year 2019-20, the meetings of the Committee were held on October 30, 2019, December 23, 2019 and January 30, 2020.

(iii) Committee of Directors (Business Reorganization)

The Board of Directors in its meeting held on January 30, 2020 constituted Committee of Directors (Business Reorganization). The said Committee, subject to the overall superintendence, control and direction of the Board, is authorized to oversee proposed reorganization proposal and to make recommendations to the Board with a definitive proposal and scheme of reorganization.

The Following are the members of the Committee:

Name	Designation	Category
Mr. Laksh Vaaman Sehgal	Chairman	Non-executive
Mr. Shunichiro Nishimura	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

During financial year 2019-20 no meeting was 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
Mr. Shunichiro Nishimura *	Member	Non-executive
Mr. Pankaj Mital	Member	Executive

* During the financial year, there was a change in members of Committee due to cessation of Ms. Noriyo Nakamura and appointment of Mr. Shunichiro Nishimura w.e.f. August 12, 2019.

Trading in equity shares of the Company is permitted only in dematerialised form. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 1, 2019. Accordingly the Company / its RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. However, SEBI via press release dated March 27, 2019 provided the following clarification:

"The transfer deed(s) once lodged prior to deadline and returned due to deficiency in the document may be re-lodged for transfer even after the deadline of April 01, 2019."

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/transmitted within stipulated time, so long as the documents have been in order in all respects.

b) Subject to the requests received by the Company for transfer/transmission/ issue of duplicate share certificates etc., the Share Transfer Committee meets normally once a fortnight.

c) Total number of shares transferred in physical (including transmission) form during the financial year 2019-20 was 1,35,163 shares as compared to 97,193 shares during financial year 2018-19.

d) As on March 31, 2020, there was no request for equity shares transfer/transmission pending.

99.68% of the equity shares of the Company are in electronic form as on March 31, 2020. Transfers of demat shares are done through the depositories with no involvement of the Company/Company's Registrar and Share Transfer Agent (RTA).

Further, the Company obtains half-yearly certificate from a Company Secretary in Practice to the effect that all certificates have been issued within thirty (30) days of the date of lodgement 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, 2020, the Company had received 277 investors' complaints, such as, non- receipt of shares after transfer, non-receipt of dividend, bonus shares etc. All complaints received during financial year 2019-20 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, 2020 for financial year 2019-20.

Particulars of the past three AGMs

Annual General Meeting	Date	Time	Venue	Special Resolution passed
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	1. 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.
32nd	August 14, 2019	11:30 A.M.	Ravindra Natya Mandir, P.L. Deshpande Maharashtra Kala Academy, near (Sayani Road), Prabhadevi, Mumbai – 400025	1. To re-appoint Mr. Sushil Chandra Tripathi, IAS (Retd) as an Independent Director for a further period of 5 (five) years. 2. To re-appoint Mr. Arjun Puri as an Independent Director for a further period of 5 (five) years. 3. To re-appoint Mr. Gautam Mukherjee as an Independent Director for a further period of 5 (five) years. 4. To re-appoint Ms. Geeta Mathur as an Independent Director for a further period of 5 (five) years.

Special Resolution passed through Postal Ballot

During the financial year 2019-20, 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 KFin Technologies Private Limited (erstwhile 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 has also been uploaded on the Company's website:-https://www.motherson.com/performance/mssl-investors

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 Companies Act, 2013 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/performance/mssl-investors/corporate-governance. Transactions with the related parties are disclosed in Note No.40 in the standalone financial statements.

c) 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.

d) 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: https://www.motherson.com/performance/mssl-investors.

e) 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 outside India. For the financial year 2019-20, MSSL Mideast (FZE) has remunerated Mr. V. C. Sehgal of Euro 1.5 Million along with provision / cost of an accommodation at UAE.

f) 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 2019-20, MI has remunerated Mr. Laksh Vaaman Sehgal of Euro 400,192.64 and post-employment benefits equivalent to Euro 21,607.18 along with insurance, company car and an accommodation for his stay in London, UK. The total remunerations and benefits from MI accounts for Euro 862,301.21. Further, Mr. Laksh Vaaman Sehgal was associated with GSP business, Samvardhana Motherson Global (FZE) ('SMG (FZE)') during the period April, 2019 to June, 2019 and SMG (FZE) has paid him remuneration of US $ 47,652 for financial year 2019-20.

g) 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 https://www.motherson.com/performance/mssl-investors

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.

As on March 31, 2020 the Company has appointed following Director on the Board of overseas material subsidiary in terms of regulation 24(1) of Listing Regulations:

Sl. No.	Name of Material Subsidiary	Independent Director appointed on the Board of respective Company
1.	MSSL (GB) Limited	Mr. S.C. Tripathi, IAS (Retd.)
2.	Samvardhana Motherson Global Holdings Limited, Cyprus	Mr. Gautam Mukherjee
3.	Samvardhana Motherson Automotive Systems Group B.V.	Ms. Geeta Mathur
4.	MSSL Mideast (FZE)	Mr. Naveen Ganzu

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 Indian 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/performance/mssl-investors

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 June 2, 2020.

General Shareholders Information

1. **Annual General Meeting (AGM) to be held**

   Date : 28th September, 2020

   Day: Monday

   Time: 14:00 hours (IST)

   Venue: Via Video Conferencing/Other Audio Visual Means

   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 to change)**

   - Financial reporting for first quarter ending June 30, 2020: on or before August 14, 2020;
   - Financial reporting for second quarter ending September 30, 2020: on or before November 14, 2020;
   - Financial reporting for third quarter ending December 31, 2020: on or before February 14, 2021; and
   - Financial results for financial year ending March 31, 2021: on or before May 30, 2021.

   The above dates are tentative and will be subject to the change.

3. **Book Closure date:** From 25.09.2020 to 28.09.2020 (both days inclusive).

4. **Dividend payment date:** The Company has made the payment of Interim Dividend on March 17, 2020 and no further dividends are proposed / recommended by the Board for the Financial Year 2019-20.

5. **Listing on stock exchanges**

   Presently, the Equity shares of the Company are listed on following Stock Exchanges:

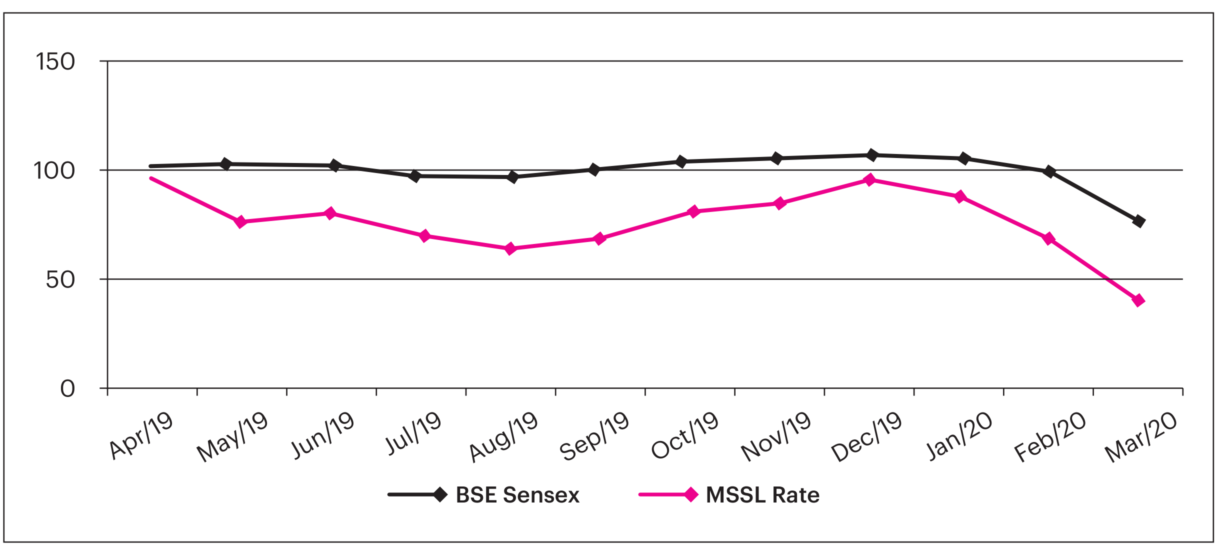
National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) MUMBAI – 400051, India Scrip Code : MOTHERSUMI	BSE Limited New Trading Ring Rotunda Building P.J. Towers, Dalal Street Fort, MUMBAI – 400001, India Scrip Code : 517334

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, 2019	162.95	141.35	162.90	141.40
May, 2019	146.00	113.50	145.40	113.55
June, 2019	128.40	111.65	128.35	111.65
July, 2019	127.30	103.00	127.35	103.00
August, 2019	110.40	91.15	111.00	91.10
September, 2019	118.45	93.10	118.50	93.00
October, 2019	126.75	94.40	126.80	94.50
November, 2019	140.25	121.40	139.00	121.40
December, 2019	150.90	125.60	151.00	125.60
January, 2020	151.00	131.10	151.00	131.15
February, 2020	139.00	101.80	139.00	101.65
March, 2020	108.80	48.50	108.65	48.65

7. **Performance in comparison to broad based indices:**



8. Shareholding Pattern of the Company as on 31.03.2020 was as under:

Category	No. of shares held	% of shareholding
Promoters and Promoters Group	194,92,86,546	61.73
Mutual Funds	35,40,75,586	11.21
Financial Institutions and Banks	2,49,87,197	0.79
Foreign Institutional / Portfolio Investors	48,94,69,943	15.50
Insurance Companies	4,34,87,697	1.38
Bodies Corporate, NBFCs registered with RBI and Trusts	4,78,27,673	1.51
General Public (Individuals)	22,94,51,561	7.26
Alternate Investment Funds	53,99,960	0.17
NRIs and Foreign Nationals	1,07,54,603	0.34
IEPF	5,29,879	0.02
Clearing Members*	26,63,067	0.08
Total	**3,15,79,34,237**	**100**

*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 KFin Technologies Private Limited (formerly Karvy Fintech Private Limited). The investors can send their queries to:

KFin Technologies Private Limited
(formerly Karvy Fintech Private Limited)
(Unit – Motherson Sumi Systems Ltd.)
Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad – 500032, India
Tel.No.: +91- 40 – 67162222, +91- 40 -67161606;
Email ID: einward.ris@kfintech.com

10. Distribution of shareholding as on March 31, 2020 was as under:

Range	No. of shareholders	% of shareholders to total	No. of shares	% of shares to total
1 – 5000	320256	98.34	9,09,27,117	2.88
5001-10000	2219	0.68	1,57,16,219	0.50
10001 – 20000	1217	0.37	1,68,68,961	0.53
20001 – 30000	499	0.15	1,23,10,967	0.39
30001- 40000	543	0.17	1,97,34,350	0.62
40001 – 50000	164	0.05	74,69,734	0.24
50001 – 100000	260	0.08	1,82,74,658	0.58
100001 and above	498	0.15	2,97,66,32,231	94.26
TOTAL	**325656**	**100.00**	**3,15,79,34,237**	**100**

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 99.68% of the Company's equity share capital are dematerialized as on March 31, 2020. Details are given below:

Mode of holding	Percentage (%)
NSDL	97.51
CDSL	2.17
Physical	0.32
Total	**100**

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, 2020.

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, 2020 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 for Financial Year 2019-20, is as under:

Particulars	Amount (₹ in Million)
Services as Statutory Auditors (including quarterly audit)	369.58
Tax Audit	14.92
Services for tax matter (if any)	48.44
Certification and other matters	15.14
Re-imbursement of out-of-pocket expenses	11.31
Total:	**459.39**

16. Credit ratings:

List of all credit ratings obtained by the Company along with the revisions thereto during the financial year 2019-20, 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 Board's 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

21. Address for correspondence:

The Shareholders may address their communication / grievances / queries /suggestions to:

KFin Technologies Private Limited
(Unit – Motherson Sumi Systems Ltd.)
Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda, Serilingampally Mandal,
Hyderabad – 500032, India
Tel.No.: +91- 40 – 67162222, +91- 40 -67161606;
Email ID: einward.ris@kfintech.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

22. Compliance Certificate

The 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 June 2, 2020 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, 2020 received from the Board of Directors and Senior Management a declaration of compliance with the Code of Conduct.

For Motherson Sumi Systems Limited

Place : Noida
Date :June 2, 2020

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, as amended

The Members of Motherson Sumi Systems Limited
Unit 705, C Wing, ONE BKC, G Block,
Bandra Kurla Complex, Bandra East
Mumbai- 400051

1. The Corporate Governance Report prepared by Motherson Sumi Systems Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2020 as required by the Company for annual submission to the Stock exchange.

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 provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.

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 procedures performed include:

   i. Read and understood 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 with respect to executive and non-executive directors has been met throughout the reporting period;

   iii. Obtained and read the Register of Directors as on 31st March 2020 and verified that atleast one independent woman director was on the Board of Directors throughout the year;

   iv. Obtained and read the minutes of the following committee meetings / other meetings held from April 01, 2019 to March 31, 2020:

      (a) Board of Directors meeting;

      (b) Audit Committee;

      (c) Annual General Meeting (AGM);

      (d) Nomination and Remuneration Committee;

      (e) Stakeholders Relationship Committee;

      (f) Risk Management Committee;

(g) Independent Directors Meeting;

(h) Corporate Social Responsibility Committee;

(i) Share Transfer Committee;

(j) Committee of Directors (Administrative Matters);

(k) Committee of Directors (Strategic Business Matters);

(l) Committee of Directors (Business Reorganization);

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

8. 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

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2020, referred to in paragraph 4 above.

Other matters and Restriction on Use

10. 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.

11. 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: 20091813AAAADQ6568

Place: Gurugram
Date: July 21, 2020

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[1] (**"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 <u>"distribution of upto 40% of consolidated profit as dividend</u> 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 <u>Dividend Distribution Philosophy</u>

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 Provisions with regard to various classes of shares

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 me 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, 2020 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.	Mr. Takeshi Fujimi	08501292	11/07/2019
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

CS D P Gupta
FCS 2411
C P No. 1509
UDIN-F002411B000307463

Place: New Delhi
Date : 2nd June 2020

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 2020, 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 Standalone Ind AS 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, 2020, 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, 2020. 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 2020 the Company had factoring facilities in place for trade receivables and amount of ₹ 1,010 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: • Obtained an understanding of the process related to de-recognition of trade receivables; • Evaluated the assessment made by management covering significant factoring contracts; • For certain new contracts entered during the year, tested the nature of the contracts and evaluated key terms and conditions of the contract in line with the guidance prescribed under Ind AS 109, "Financial Instruments"; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.
Impairment assessment on Investments in subsidiaries (as described in note 6 (a) of the standalone Ind AS financial statements)	
The Company has made investments in various subsidiaries and the carrying amount of total investments as at March 31, 2020 is ₹ 46,135 million. Considering the long term nature of these investments, their impairment assessment requires judgement and significant estimates to determine the Value-In-Use (VIU) in certain cases. In particular, the determination of the VIU is sensitive to significant assumptions such as discount rate, revenues growth, operating margin and terminal value. 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 ensured the compliance with the applicable accounting standards; • Read the financial position and operating/financial results of the respective investments from their financial information made available to us by the management; • Where considered necessary, evaluated the key assumptions used in determining VIU and performed sensitivity analysis of key assumptions; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements

Emphasis of Matter – Corona developments

The developments surrounding the Corona (Covid-19) virus have a profound impact on people's health and on our society as a whole, as well as on the operational and financial performance of organizations. The situation changes on a daily basis giving rise to inherent uncertainty. The Company is confronted with this uncertainty as well, which has been disclosed in the note 47 to the Ind AS financial statements, together with its evaluation thereof. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.

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 standalone Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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 with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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, 2020 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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, 2020 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
UDIN:20091813AAAACH4622

Place of Signature: Gurugram
Date: June 02, 2020

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 property, plant and equipment.

(i) (b) All property, plant and equipment 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, 2020 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 (₹ 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	2	A.Y. 2010-11	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	19	A.Y. 2011-12	Transfer Pricing Officer
Income Tax Act, 1961	Income Tax	6	A.Y. 2008-09	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961**	Income Tax	0	A.Y. 2015-2016	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	1	A.Y. 2016-2017	Dispute Resolution Panel
U.P. VAT Act, 2008	Value Added Tax & Sales Tax	1	A.Y. 2017-18	Additional Commissioner (Appeals)
Central Excise Act, 1944	Excise	1	A.Y. 2014-15 to 2017-2018	Additional Commissioner
Central Excise Act, 1944**	Excise	0	A.Y. 2014-15 & 2015-2016	Commissioner (Appeals)
Central Excise Act, 1944**	Excise	0	A.Y. 2011-2012	CESTAT
Finance Act, 1994	Service tax	7	A.Y. 2010-11	Additional Commissioner
Finance Act, 1994**	Service tax	0	A.Y. 2009-10 to 2014-15	Commissioner (Appeals)
Finance Act, 1994	Service tax	2	A.Y. 2002-03 to 2003-04 & 2010-11	Commissioner
Finance Act, 1994	Service tax	13	A.Y. 2002-2004, 2007-08, 2009-10 to 2014-15, & 2015-16,	CESTAT

* 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: Gurugram
Date: 2 June 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEM 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, 2020 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, 2020, 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: Gurugram
Date: 2 June 2020

(All amounts in ₹ Million, unless otherwise stated)

BALANCE SHEET

	Notes	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	15,819	17,087
Right-of-use assets	3(b)	2,716	-
Capital work in progress	3(a)	903	907
Investment property	4	747	872
Intangible assets	5	0	0
Investment in subsidiaries, joint ventures and associate	6(a)	46,632	45,836
Financial assets			
i. Investments	6(a)	186	188
ii. Loans	7	176	58
iii. Other financial assets	9 (a)	138	-
Deferred tax assets (net)	10	450	296
Other non-current assets	11	387	342
Non-current tax assets (net)	23	594	725
Total non-current assets		**68,748**	**66,311**
Current assets			
Inventories	12	9,931	10,551
Financial assets			
i. Investments	6(b)	6	10
ii. Trade receivables	8	8,675	8,090
iii. Cash and cash equivalents	13(a)	2,300	1,333
iv. Bank balances other than (iii) above	13(b)	66	49
v. Loans	7	89	110
vi. Other financial assets	9 (b)	1,050	1,939
Other current assets	14	1,164	2,039
Total current assets		**23,281**	**24,121**
Total assets		**92,029**	**90,432**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	3,158
Other equity			
Reserves and surplus	16(a)	59,153	61,088
Other reserves	16(b)	133	136
Total equity		**62,444**	**64,382**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	As At March 31, 2020	As At March 31, 2019
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17(a)	11,915	11,337
ii. Lease liabilities		791	-
iii. Other financial liabilities	18	226	164
Employee benefit obligations	21	485	424
Government grants	22	275	92
Total non-current liabilities		**13,692**	**12,017**
Current liabilities			
Financial Liabilities			
i. Borrowings	17(b)	2,279	2
ii. Lease liabilities		137	-
iii. Trade payables			
Total outstanding dues of micro, small and medium enterprises and	19	155	202
Total outstanding dues of creditors other than micro, small and medium enterprises	19	8,901	8,747
iv. Other financial liabilities	18	2,584	2,698
Provisions	20	11	8
Employee benefit obligations	21	579	360
Government grants	22	34	12
Other current liabilities	24	1,213	2,004
Total current liabilities		**15,893**	**14,033**
Total liabilities		**29,585**	**26,050**
Total equity and liabilities		**92,029**	**90,432**
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: Gurugram
Date: June 02, 2020

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: June 02, 2020

(All amounts in ₹ Million, unless otherwise stated)

STATEMENT OF PROFIT AND LOSS

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue			
Revenue from contract with customers	25 (a)	68,142	75,107
Other operating revenue	25 (b)	596	706
Total revenue from operations		**68,738**	**75,813**
Other income	26	3,784	1,865
Total income		**72,522**	**77,678**
Expenses			
Cost of materials consumed	27	35,694	42,002
Purchase of stock-in-trade		985	619
Changes in inventory of finished goods, work-in-progress and stock in trade	28	485	(522)
Employee benefit expense	29	12,176	11,785
Depreciation and amortization expense	32	2,883	2,193
Finance costs	31	306	176
Other expenses	30	8,379	9,201
Total expenses		**60,908**	**65,454**
Profit before tax		**11,614**	**12,224**
Tax expenses	33		
-Current tax		2,742	3,106
-Deferred tax expense/ (credit)		(116)	980
Total tax expense		**2,626**	**4,086**
Profit for the year		**8,988**	**8,138**
Other comprehensive income			
Items not to be reclassified to profit or loss			
Changes in fair valuation of FVOCI equity investment		(4)	2
Deferred tax on fair valuation of FVOCI equity investment		1	(0)
Remeasurements of employment benefit obligations		(146)	(88)
Deferred tax on remeasurements of employment benefit obligations		37	31
Other comprehensive income for the year, net of tax		**(112)**	**(55)**
Total comprehensive income for the year, net of tax		**8,876**	**8,083**
Earnings per share: (Refer Note 34)			
Nominal value per share: ₹ 1/- (Previous year : ₹ 1/-)			
Basic		2.85	2.58
Diluted		2.85	2.58
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: Gurugram
Date: June 02, 2020

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: June 02, 2020

(All amounts in ₹ Million, unless otherwise stated)

STATEMENT OF CHANGES IN EQUITY

A. Equity share capital

	Notes	Amount
As at April 01, 2018		2,105
Issue of equity share capital	15	1,053
As at March 31, 2019		**3,158**
Issue of equity share capital	15	-
As at March 31, 2020		**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, 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**
Profit for the year		-	-	-	8,988	-	8,988
Other comprehensive income		-	-	-	(109)	(3)	(112)
Total comprehensive income for the year		**-**	**-**	**-**	**8,879**	**(3)**	**8,876**
Additions during the year							
Bonus Issue	16 (a)	-	-	-	-	-	**-**
Dividend paid	16 (a)	-	-	-	(9,474)	-	**(9,474)**
Tax on Dividend	16 (a)	-	-	-	(1,340)	-	**(1,340)**
Balance at March 31, 2020		**26,226**	**1,663**	**3,363**	**27,901**	**133**	**59,286**
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: Gurugram
Date: June 02, 2020

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: June 02, 2020

(All amounts in ₹ Million, unless otherwise stated)

CASH FLOW STATEMENT

		For the year Ended March 31, 2020	For the year Ended March 31, 2019
A.	**Cash flow from operating activities:**		
	Profit before tax	11,614	12,224
	Adjustments to reconcile profit before tax to net cash flow:		
	Depreciation and amortisation expense	2,883	2,193
	Amortisation of government grant	(53)	(12)
	Gain on disposal of property, plant and equipment & investment property (net)	(39)	(6)
	Liabilities written back to the extent no longer required	(36)	(17)
	Bad debts/ advances written off	1	0
	Provision for doubtful debts/ advances	4	(3)
	Provision for diminution in the value of investment	-	20
	Interest income	(23)	(19)
	Dividend income	(3,095)	(1,227)
	Finance cost	306	177
	Unrealised foreign exchange gain (net)	(76)	(168)
	Operating profit before working capital changes	**11,486**	**13,162**
	Change in working Capital:		
	Increase/ (decrease) in Trade Payables	10	172
	Increase/ (decrease) in Other Payables	(332)	265
	Increase/ (decrease) in Other financial liabilities	151	83
	(Increase)/ decrease in Trade Receivables	(397)	1,146
	(Increase)/ decrease in Inventories	621	(1,309)
	(Increase)/ decrease in other financial assets	770	258
	(Increase)/ decrease in Other Receivables	636	(571)
	Cash generated from operations	**12,945**	**13,206**
	- Income taxes paid (net of refund)	(2,582)	(3,781)
	Net cash flows from operating activities	**10,363**	**9,425**
B.	**Cash flow from Investing activities:**		
	Payments for property, plant and equipment and investment property (including capital work in progress)	(3,519)	(3,999)
	Proceeds from sale of property, plant and equipment & investment property	49	23
	Loan (to)/repaid by related parties (net)	(112)	-
	Interest received	18	19
	Dividend received from subsidiaries	2,963	1,023
	Dividend received from others	104	172
	(Investment)/ proceeds from maturity of deposits with remaining maturity for more than 12 months	0	(1)
	Net cash used in investing activities	**(497)**	**(2,763)**

(All amounts in ₹ Million, unless otherwise stated)

		For the year Ended March 31, 2020	For the year Ended March 31, 2019
C.	**Cash flow from financing activities:**		
	Dividend paid to equity share holders	(9,457)	(4,726)
	Dividend distribution tax	(1,340)	(766)
	Interest paid	(371)	(342)
	Proceeds from long term borrowings	111	-
	Proceeds from other short term borrowings	4,779	2
	Repayment of long term borrowings	(17)	(554)
	Repayment of other short term borrowings	(2,502)	(16)
	Payment of lease liabilities	(129)	
	Net cash used in financing activities	**(8,926)**	**(6,402)**
	Net increase/(decrease) in Cash and Cash Equivalents	**939**	**260**
	Net foreign exchange difference	28	57
	Net Cash and Cash equivalents at the beginning of the year	**1,333**	**1,016**
	Cash and cash equivalents as at current year end	**2,300**	**1,333**
	Cash and cash equivalents comprise of the following (Note 13(a))		
	Cash on hand	10	8
	Cheques/drafts on hand	5	6
	Balances with banks	2,285	1,319
	Cash and cash equivalents as per Balance Sheet	**2,300**	**1,333**

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: Gurugram
Date: June 02, 2020

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: June 02, 2020

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 June 02, 2020.

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 I 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 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 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.

Revenue from contracts with customers

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 equipment.

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 equipment.
- 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 thegoods 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) 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 on 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

Pursuant to the notification by the Ministry of Corporate Affairs, The Company adopted IND AS 116 effective from April 1, 2019, prospectively using the modified retrospective method as mandated by Para C5(b) and Para C8(c)(ii) of IND AS 116. Accordingly, the Company has not restated comparative information and there is 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.

As a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (h) Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Lease liabilities, which separately shown in the financial statement are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing (while affecting other comprehensive income) the carrying amount to reflect the lease payments made.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Key assumptions that the Company is applying for implementing the standard are as follows:

Terms: For each contract, the Company reviewed the renewal and the early termination options within the term of the arrangement and determined, after taking into account all the relevant facts and circumstances, what would be the date at which the Company reasonably expects the contract to be terminated. For certain categories of leased assets, (mainly vehicles), the Company assesses that there is no reasonably certain extension option, consequently the duration selected coincides with the first term of the lease contract. For real estate lease arrangements, the Company defines the reasonable end date of the contracts, while taking into account the renewal and early termination options stated in the agreements, in line with the asset's expected period of use.

Discount rates: The Company determined discount rates reflecting each subsidiary's specific credit risk, the currency of the contract and the weighted average maturity of the reimbursement of the lease liability. For the transition the incremental borrowing rate used is the rate applicable to the residual terms of the contracts. For contracts previously classified as finance leases the Company has recognised the carrying amount of the right of use assets and lease liability at the date of initial application.

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 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 (e) 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 AS103 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.

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 116

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 AS116.

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 stand-alone 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 thereplaced 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 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.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.

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 116Lease

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Company elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Company as lessee uses the following practical expedients of IND AS 116 at the date of initial application:

- With leases previously classified as operating leases according to IND AS 17, the lease liability is measured at the present value of the outstanding lease payments, discounted by incremental borrowing rate at April 1, 2019. The respective right -of-use asset is generally recognized at an amount equal to the lease liability.
- An impairment review is not performed. Instead, a right-of-use asset is adjusted by the amount of any provision for onerous leases recognized in the Statement of Financial Position at March 31, 2019.
- Regardless of their original lease term, leases for which the lease term ends at the latest on March 31, 2020 were recognized as short-term leases.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It 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 Appendix 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments. Since the Company operates in a complex multinational environment, it assessed whether the Appendix had an impact on its financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Company considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's tax filings include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Company determined, based on its tax compliance and transfer pricing study that it is probable that its tax treatments will be accepted by the taxation authorities.

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(a) Property, plant and equipment

Particulars	Leasehold Land Refer note (v)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress
Year ended March 31, 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	**2,698**	1,994
Disposals	-	-	-	-	(45)	-	(2)	-	(15)	**(62)**	-
Transfer / Other adjustment	104	(104)	-	746	1,192	-	-	-	-	**1,938**	(2,009)
Closing gross carrying amount	**1,658**	**987**	**105**	**8,006**	**13,456**	**205**	**208**	**374**	**58**	**25,057**	**907**
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)**	-
Other adjustment	-	-	-	-	-	-	-	-	-	**-**	-
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**

(All amounts in ₹ Million, unless otherwise stated)

Particulars	Leasehold Land Refer note (v)	Freehold Land	Leasehold Improvements	Buildings	Plant & Machinery Refer note (iv)	Furniture & fixtures	Office equipments	Computers	Vehicles	Total	Capital work in progress
Year ended March 31, 2020											
Gross carrying amount											
As at April 01, 2019	1,658	987	105	8,006	13,456	205	208	374	58	**25,057**	907
Additions	-	-	4	683	827	24	31	57	10	**1,636**	1,004
Disposals	-	-	-	-	(31)	(1)	(8)	(21)	(27)	**(88)**	-
Reclassification on account of Ind AS 116	(1,658)	-	-	-	-	-	-	-	-	**(1,658)**	-
Transfer / Other adjustment	-	-	-	192	816	-	0	0	0	**1,008**	(1,008)
Closing gross carrying amount	**-**	**987**	**109**	**8,881**	**15,068**	**228**	**231**	**410**	**41**	**25,955**	**903**
Accumulated depreciation											
As at April 01, 2019	59	-	62	1,008	6,389	88	111	230	23	**7,970**	-
Depreciation charge during the year	-	-	13	324	1,799	32	33	89	15	**2,305**	-
Disposals	-	-	-	-	(26)	(1)	(8)	(21)	(24)	**(80)**	-
'Reclassification on account of Ind AS 116	(59)	-	-	-	-	-	-	-	0	**(59)**	-
Closing accumulated depreciation	**-**	**-**	**75**	**1,332**	**8,162**	**119**	**136**	**298**	**14**	**10,136**	**-**
Net carrying amount	**-**	**987**	**34**	**7,549**	**6,906**	**109**	**95**	**112**	**27**	**15,819**	**903**

(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 ₹ 11 million (March 31,2019: ₹ 9 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).

3(b) Right-of-use assets

Particulars	Land Refer note (i)	Buildings	Vehicles	Total
Year ended March 31, 2020				
Gross carrying amount				
Recognised as at April 01, 2019	90	493	340	**923**
Reclassification on account of Ind AS 116	1,658	-	-	**1,658**
Additions (Refer note 40)	411	165	87	**663**
Disposals	-	-	(1)	**(1)**
Closing gross carrying amount	**2,159**	**658**	**426**	**3,243**
Accumulated depreciation				
Reclassification on account of Ind AS 116	59	-	-	**59**
Depreciation charge during the year	223	104	141	**468**
Disposals	-	-	-	**-**
Other adjustment	-	-	-	**-**
Closing accumulated depreciation	**282**	**104**	**141**	**527**
Net carrying amount	**1,877**	**554**	**285**	**2,716**

[(i)] The Company has recognised impairment loss amounting to ₹ 200 million. The impairment losses are included under 'Depreciation expense'.

4 Investment property

	March 31, 2020	March 31, 2019
Gross carrying amount		
Opening gross carrying amount	979	909
Add: Additions during the year	-	70
Less: Deletions during the year	7	-
Closing gross carrying amount	**972**	**979**
Accumulated depreciation:		
Opening balance	107	87
Add: Depreciation for the year [1]	122	20
Less: Deletions during the year	(4)	-
Closing accumulated depreciation	**225**	**107**
Net carrying amount	**747**	**872**

[1] The Company has recognised impairment loss amounting to ₹ 100 million. The impairment losses are included under 'Depreciation expense'.

(i) Amounts recognised in profit or loss for investment property:

	March 31, 2020	March 31, 2019
Rental Income	19	25
Direct operating expenses from property that did not generate rental income	(1)	(1)
Profit from investment property before depreciation	**18**	**24**
Depreciation	122	20
Profit / (loss) from investment property	**(104)**	**5**

(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, 2020	March 31, 2019
Investment property	1,912	1,862

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, 2019	
Gross carrying amount	
As at April 01, 2018	17
Closing gross carrying amount	**17**
Accumulated amortisation	
Opening accumulated amortisation as at April 01, 2018	13
Amortisation charge during the year	4
Closing accumulated amortisation	**17**
Net carrying amount	**0**
Year ended March 31, 2020	
Gross carrying amount	
As at April 01, 2019	17
Closing gross carrying amount	**17**
Accumulated amortisation	
As at April 01, 2019	17
Amortisation charge during the year	-
Closing accumulated amortisation	**17**
Net carrying amount	**0**

6 (a) Non-Current investments

	March 31, 2020	March 31, 2019
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, 2019: 37,820,080) equity shares of EUR 1 each fully paid-up	2,284	2,284
Net of provision for other than temporary diminution aggregating to ₹ 70 million (March 31, 2019 : ₹ 70 million)		
MSSL Mideast (FZE)		
1 (March 31, 2019: 1) equity share of AED 150,000 equivalent to EUR 46,875 each fully paid-up	2	2
44,170,000 (March 31, 2019: 44,170,000) equity shares of EUR 1 each fully paid-up	3,111	3,111
50,000,000 (March 31, 2019: 50,000,000) equity shares of EUR 1 each fully paid-up at a premium of EUR 2.60 per share	12,719	12,719
Add: Effective portion of fair value hedge (refer note 37)	1,885	1,092
Motherson Electrical Wires Lanka Private Limited		
1,456,202 (March 31, 2019: 1,456,202) equity shares of LKR 10 each fully paid-up	7	7
MSSL (S) PTE Limited		
20,554,700 (March 31, 2019: 20,554,700) equity shares of SGD 1 each fully paid-up	960	960
Samvardhana Motherson Polymers Limited		
522,750 (March 31, 2019: 522,750) equity shares of ₹ 10 each fully paid-up	5	5
1,351,500 (March 31, 2019: 1,351,500) equity shares of ₹ 10 each fully paid-up at a premium of ₹ 190 per share	270	270
46,920 (March 31, 2019: 46,920) equity shares of ₹ 10 each fully paid-up at a premium of ₹ 2,300 per share	108	108
510 (March 31, 2019: Nil) equity shares of ₹ 10 each fully paid-up at a premium of ₹ 4,990 per share	3	-
SMR Automotive Systems India Limited		
6,712,990 (March 31, 2019: 6,712,990) equity shares of ₹ 10 each fully paid-up	67	67
Motherson Innovations Tech Limited (formerly known as MSSL Automobile Component Limited)		
50,000 (March 31, 2019: 50,000) equity shares of ₹ 10 each fully paid-up	1	1

(All amounts in ₹ Million, unless otherwise stated)

	March 31, 2020	March 31, 2019
MSSL (GB) Limited		
203,422,924 (March 31, 2019: 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 Limited		
9,000,000 (March 31, 2019: 9,000,000) equity shares of ₹ 10 each fully paid-up	8	8
(A)	**46,135**	**45,339**
Investment in joint ventures :		
Kyungshin Industrial Motherson Limited		
17,200,000 (March 31, 2019: 17,200,000) equity shares of ₹ 10 each fully paid-up	86	86
Calsonic Kansei Motherson Auto Products Limited		
30,930,836 (March 31, 2019: 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, 2019: 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)	**46,632**	**45,836**
Equity investments at FVOCI		
Unquoted		
Motherson Sumi INfotech & Designs Limited		
1,200,000 (March 31, 2019: 1,200,000) equity shares of ₹ 10 each fully paid-up	185	185
Echanda Urja Private Limited		
120,645 (March 31, 2019: 120,645) equity shares of ₹ 10 each fully paid-up	1	1
Tulsyan NEC Limited		
Nil (March 31, 2019: 63,750) equity shares of ₹ 30 each fully paid-up	-	2
(D)	**186**	**188**
TOTAL (A+B+C+D)	**46,818**	**46,024**
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	46,888	46,094
Aggregate amount of impairment in the value of investments	70	70

(All amounts in ₹ Million, unless otherwise stated)

6 (b) Current investments

	March 31, 2020	March 31, 2019
Investment in equity instruments at FVOCI		
Quoted		
HDFC Bank Limited	4	5
4,070 (March 31, 2019: 2,035) equity shares of ₹ 2 each fully paid up		
Balrampur Chini Mills Limited	0	0
1,200 (March 31, 2019: 1,200) equity shares of ₹ 1 each fully paid up		
JD Orgochem Ltd	0	0
100 (March 31, 2019: 100) equity shares of ₹ 10 each fully paid up		
Meyer Apparel Limited	0	0
28,475 (March 31, 2019: 28,475) equity shares of ₹ 3 each fully paid up		
Mahindra & Mahindra Limited	2	5
7,288 (March 31, 2019: 7,288) equity shares of ₹ 5 each fully paid up		
Arcotech Limited	0	0
1,000 (March 31, 2019: 1,000) equity shares of ₹ 2 each fully paid up		
Unquoted		
Pearl Engineering Polymers Limited	-	-
3,160 (March 31, 2019: 3,160) equity shares of ₹ 10 each fully paid up		
Daewoo Motors Limited	-	-
6,150 (March 31, 2019: 6,150) equity shares of ₹ 10 each fully paid up		
Athena Financial Services Limited	-	-
66 (March 31, 2019: 66) equity shares of ₹ 10 each fully paid up		
Inox Leasing & Finance Limited	-	-
100 (March 31, 2019: 100) equity shares of ₹ 10 each fully paid up		
Total current investments	**6**	**10**
Aggregate amount of quoted investments and market value thereof	6	10
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

7 Loans

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 40 & 49)	0	125	14	-
Loans to employees	89	51	96	58
Total	**89**	**176**	**110**	**58**

8 Trade receivables

	March 31, 2020	March 31, 2019
Unsecured, considered good	5,951	6,666
Trade receivables from related parties[1] (Refer note 40)	2,724	1,424
Unsecured, credit impaired	25	37
	8,700	**8,127**
Less: Allowances for credit loss	25	37
Total	**8,675**	**8,090**
[1] Includes receivables from companies in which Director of the Company is also a Director	194	276

Note 1: The Company has derecognised trade receivables amounting ₹ 1,010 million (March 31, 2019: ₹ 1,326 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 (a) Other financial assets - Non Current

	March 31, 2020	March 31, 2019
Unsecured, considered good		
Security deposits	138	-
Total	**138**	**-**

9 (b) Other financial assets - Current

	March 31, 2020	March 31, 2019
Unsecured, considered good		
Security deposits[1]	580	690
Other advances receivable in cash (Refer note 40)	5	0
Unbilled revenue (Refer note 45)	423	1,214
Receivable from related parties (Refer note 40)	42	31
Others	0	4
Total	**1,050**	**1,939**
[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, 2020	March 31, 2019
Deferred tax assets		
Derivatives designated as hedges	220	232
Provision for employee benefit obligations	268	274
Provision for doubtful debts and advances	6	13
Government grants	31	44
Others	14	(5)
Deferred tax liabilities		
FVOCI equity instruments	(41)	(42)
Property, plant and equipment and intangible assets & investment property and net of Right-of-use assets & lease liability	(48)	(220)
Total	**450**	**296**

Movement in Deferred tax assets

	Property, plant and equipments and intangible assets & investment property and net of Right-of-use assets & lease liability	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, 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**
(Charged)/ credited:								
to profit or loss	172	(12)	(43)	(7)	(13)	(0)	19	116
to other comprehensive income	-	-	37	-	-	1	-	38
At March 31, 2020	**(48)**	**220**	**268**	**6**	**31**	**(41)**	**14**	**450**

11 Other non-current assets

	March 31, 2020	March 31, 2019
Unsecured, considered good, unless otherwise stated		
Capital advances	195	238
Prepaid expenses	86	104
Subsidy receivable	106	-
Total	**387**	**342**

12 Inventories

	March 31, 2020	March 31, 2019
Raw materials	6,566	6,690
Work-in-progress	1,905	1,922
Finished goods	1,440	1,908
Stores and spares	20	31
Total	**9,931**	**10,551**
Inventory include inventory in transit of:		
Raw materials	1,451	1,640
Finished goods	249	369

Amount recognised in profit or loss:

During the year ended March 31, 2020 write-back of inventories on account of provision in respect of obsolete/ slow moving items amounted to ₹ 53 million (March 31, 2019: ₹ 20 million). These were recognised as an expense during the year and included in changes in value of inventories of work-in-progress, stock-in-trade and finished goods in statement of profit or loss.

13 (a) Cash and cash equivalents *

	March 31, 2020	March 31, 2019
Balances with banks:		
- in current accounts	2,231	1,319
- Deposits with original maturity of less than three months	54	-
Cheques/ drafts on hand	5	6
Cash on hand	10	8
Total	**2,300**	**1,333**

* 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 44.

Changes in liabilities arising from financing activities

	March 31, 2019	Cash Flow	Non cash		March 31, 2020
			Foreign exchange movements	Fair value changes	
Non current borrowings	11,354	94	512	(45)	11,915
Current borrowings	2	2,277	-	-	2,279
Total liabilities from financing activities	**11,356**	**2,371**	**512**	**(45)**	**14,194**

13 (b) Other bank balances

	March 31, 2020	March 31, 2019
Deposits with remaining maturity of more than three months but less than 12 months	5	5
Unpaid dividend account	61	44
Total	**66**	**49**

14 Other current assets

	March 31, 2020	March 31, 2019
Unsecured, considered good, unless otherwise stated		
Advances recoverable	371	381
Prepaid expenses	60	243
Balances with government authorities	504	1,119
Subsidy receivable	229	296
Total	**1,164**	**2,039**

15 Share Capital

	March 31, 2020	March 31, 2019
Authorised:		
6,050,000,000 (March 31,2019 : 6,050,000,000) Equity shares of ₹ 1 each	6,050	6,050
25,000,000 (March 31,2019 : 25,000,000) 8% Convertible Cumulative Preference Shares of ₹ 10 each	250	250
Issued, subscribed and Paid up:		
3,157,934,2371 (March 31, 2019 : 3,157,934,2371) Equity Shares of ₹ 1 each	3,158	3,158

a. Movement in equity share capital

	Numbers	Amount
As at April 01, 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**
Add: Changes during the year	-	-
As at March 31, 2020	**3,157,934,237**	**3,158**

[1] During the year ended March 31, 2019, the Company allotted 1,052,644,746 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 shareholding.

c. Aggregate number of Shares allotted as fully paid up by way of bonus shares (during 5 years immediately preceding March 31, 2020)

	Aggregate No of Shares issued in five years	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
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

d. Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company.

	March 31, 2020		March 31, 2019	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	792,637,291	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, 2020	March 31, 2019
Reserve on amalgamation	1,663	1,663
Securities premium	26,226	26,226
General reserve	3,363	3,363
Retained earnings	27,901	29,836
Total reserves and surplus	**59,153**	**61,088**

(i) Reserve on amalgamation

	March 31, 2020	March 31, 2019
Opening balance	1,663	1,663
Closing balance	**1,663**	**1,663**

(ii) Securities premium

	March 31, 2020	March 31, 2019
Opening balance	26,226	27,279
Utilisation during the year - issue of bonus shares	-	(1,053)
Closing balance	**26,226**	**26,226**

(iii) General reserve

	March 31, 2020	March 31, 2019
Opening balance	3,363	3,363
Closing balance	**3,363**	**3,363**

(iv) Retained earnings

	March 31, 2020	March 31, 2019
Opening balance	29,836	27,258
Additions during the year	8,988	8,138
Remeasurements of post-employment benefit obligation, net of tax	(109)	(57)
Dividend paid[1]	(9,474)	(4,737)
Tax on dividend[1]	(1,340)	(766)
Closing balance	**27,901**	**29,836**

[1] During the year ended March 31, 2020, the Company has paid final cash dividend for the year ended on March 31, 2019: ₹ 1.5 (March 31, 2019: ₹ 2.25) per share and Interim dividend for the year ended on March 31, 2020: ₹ 1.5 (March 31, 2019: Nil) 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

	FVOCI equity investments
As at April 01, 2018	**134**
Change in fair value of FVOCI equity instruments	2
As at March 31, 2019	**136**
Change in fair value of FVOCI equity instruments	(3)
As at March 31, 2020	**133**

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 future (known or unknown) obligations.

FVOCI equity investments

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investment reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

17 (a) Non-current borrowings

	Non-Current Portion		Current Maturities	
	March 31, 2020	**March 31, 2019**	**March 31, 2020**	**March 31, 2019**
Secured (i)				
Term Loans				
Foreign currency loans from banks	6,039	5,524	-	-
Indian rupee loan from banks	5,750	5,750	-	-
Indian rupee loan from other than banks	-	-	0	18
Unsecured (ii)				
Term Loans				
Indian rupee loan from other than banks	126	63	-	-
Less : Disclosed under Other current financial liabilities (Refer Note 18)	-	-	(0)	(18)
TOTAL	**11,915**	**11,337**	**-**	**-**

(i) Secured Loans[1]

Nature of Security (In case of Secured Loans)	Principal Terms and Conditions
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	₹ 6,039 million (March 31, 2019 : ₹ 5,524 million) repayable in March 2022 entirely in one instalment. The applicable rate of interest in respect of foreign currency loans from banks is 0.52% p.a. (March 31, 2019 : 0.62% p.a.) over 6 months 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, 2019 : ₹ 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.	₹ 0 million (March 31, 2019 : ₹ 18 million) repayable in remaining 12 monthly instalments till April 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 ₹ 126 million (March 31, 2019 : ₹ 63 million) repayable in 3 tranches on November 2022, March 2023 and December 2026 against each disbursements. 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, 2020	March 31, 2019
Secured [2, 3]		
Working capital loans repayable on demand- from banks [1]		
Indian rupee loan	2,279	2
TOTAL	**2,279**	**2**

[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 3% to 8% p.a.

(All amounts in ₹ Million, unless otherwise stated)

18 Other financial liabilities

	March 31, 2020	March 31, 2019
Non-current		
Retention money	76	33
Security deposit received (Refer note 40)	52	54
Recovery against Vehicle Loan	98	77
Total	**226**	**164**
Current		
Current maturities of long term borrowings (Refer note 17(a))	0	18
Interest accrued but not due on borrowings	4	4
Unpaid dividends [1]	61	44
Payables relating purchase of property, plant & equipments	342	761
Security deposit received	4	2
Employee benefits payable	1,169	1,103
Accrued expenses	75	-
Derivatives designated as hedges	873	665
Recovery against Vehicle Loan	56	101
Total	**2,584**	**2,698**

[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, 2020	March 31, 2019
Total outstanding dues of micro, small and medium enterprises (Refer note 48) and	155	202
Total outstanding dues of creditors other than micro, small and medium enterprises	5,951	6,331
Trade payable to related parties (Refer note 40)	2,950	2,416
Total	**9,056**	**8,949**

20 Provisions

	March 31, 2020	March 31, 2019
For warranties	10	7
For contingencies	1	1
Total	**11**	**8**

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening Balance	7	19	1	6
Additions/(deletion) during the year	3	(12)	-	(5)
Closing Balance	**10**	**7**	**1**	**1**

21 Employee benefit obligations

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Gratuity	414	-	224	-
Compensated absences	164	485	135	424
for Provident fund scheme	1	-	1	-
Total	**579**	**485**	**360**	**424**

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:

(All amounts in ₹ Million, unless otherwise stated)

(i) Present Value of Defined Benefit Obligation

	For the year ended	
	March 31, 2020	March 31, 2019
Obligations at year beginning	1,454	1,212
Service Cost - Current	140	120
Interest expense	106	91
Amount recognised in profit or loss	**246**	**211**
Remeasurements		
Actuarial (gain)/ loss from change in financial assumption	121	25
Experience (gain)/loss	22	57
Amount recognised in other comprehensive income	**143**	**82**
Payment from plan:		
Benefit payments	(64)	(48)
Addition/ (deletion) due to transfer of employee	(7)	(3)
Obligations at year end	**1,772**	**1,454**

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2020	March 31, 2019
Plan assets at year beginning, at fair value	1,230	1,087
Interest income	92	85
Amount recognised in profit or loss	**92**	**85**
Remeasurements		
Actuarial (gain)/ loss from change in financial assumption	(3)	(4)
Return on plan assets, excluding amount included in interest income	0	(2)
Amount recognised in other comprehensive income	**(3)**	**(6)**
Payment from plan:		
Benefit payments	(4)	(6)
Contributions:		
Employers	43	70
Plan assets at year end, at fair value	**1,358**	**1,230**

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2020	March 31, 2019
Present Value of the defined benefit obligations	1,772	1,454
Fair value of the plan assets	1,358	1,230
Amount recognized as Liability	**414**	**224**

(iv) Defined benefit obligations cost for the year:

	For the year ended	
	March 31, 2020	March 31, 2019
Service Cost - Current	140	120
Interest Cost (Net)	14	6
Actuarial (gain)/ loss	146	88
Net defined benefit obligations cost	**300**	**213**

(v) Investment details of Plan Assets

The details of investments of plan assets are as follows:

	For the year ended	
	March 31, 2020	March 31, 2019
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, 2020	March 31, 2019
Discount Rate per annum	6.6%	7.4%
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, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
Defined benefit obligations	1,772	1,454	1,212	1,026	789
Plan assets	(1,358)	(1,230)	(1,087)	(808)	(650)
Deficit/(Surplus)	**414**	**224**	**125**	**218**	**139**

(viii)Expected Contribution to the Fund in the next year

	For the year ended	
	March 31, 2020	March 31, 2019
Gratuity	399	228

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, 2020	March 31, 2019		March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
Discount Rate per annum	0.50%	0.50%	Decrease by	(74)	(62)	Increase by	80	66
Future salary increases	1.0%	1.0%	Increase by	167	139	Decrease by	(147)	(123)

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 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, 2019: 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, 2020					
Defined benefit obligation (gratuity)	107	88	387	847	1,429
March 31, 2019					
Defined benefit obligation (gratuity)	93	114	371	1,067	1,644

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, 2020	March 31, 2019
Provident fund paid to the authorities	444	417
Employee state insurance paid to the authorities	83	107
Contribution to other funds (Employee welfare etc.)	4	2
	531	**526**

22 Government grants

	March 31, 2020	March 31, 2019
Opening balance	104	116
Grants received during the year	258	-
Released to profit and loss (Refer note 26)	(53)	(12)
Closing balance	**309**	**104**

	March 31, 2020	March 31, 2019
Current portion	34	12
Non-current portion	275	92
Total	**309**	**104**

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, 2020	March 31, 2019
Tax assets		
Non-current tax assets (net)	594	725
Tax liabilities		
Current tax liabilities (net)	-	-
Net tax liabilities/ (assets)	**(594)**	**(725)**

(All amounts in ₹ Million, unless otherwise stated)

24 Other current liabilities

	March 31, 2020	March 31, 2019
Statutory dues including provident fund and tax deducted at source	368	986
Advances received from customers (Refer note 45)	838	1,010
Unearned revenue	7	8
Total	**1,213**	**2,004**

25 (a) Revenue from contract with customers

	For the year ended	
	March 31, 2020	March 31, 2019
Sales of products		
Finished goods		
Within India	55,256	63,203
Outside India	9,778	9,731
Traded goods	1,287	1,025
Total gross sales	**66,321**	**73,959**
Sale of services	1,821	1,148
Total revenue from contract with customers (Refer note 45)	**68,142**	**75,107**

25 (b) Other operating revenue:

Scrap sales	255	334
Job work income	16	13
Export incentives	191	194
Liabilities written back to the extent no longer required	36	17
Miscellaneous other operating income	98	148
Total	**596**	**706**

26 Other income

	For the year ended	
	March 31, 2020	March 31, 2019
Interest income from financial assets at amortised cost	23	19
Dividend Income		
- From subsidiaries	2,992	1,055
- From joint ventures	101	172
- From equity investments designated at fair value through OCI	2	0
Rent	60	69
Exchange fluctuation (net)	460	500
Gain on disposal of property, plant and equipment & investment property (net)	39	6
Government grants & subsidies (Refer note 22)	53	12
Miscellaneous income	54	32
Total	**3,784**	**1,865**

(All amounts in ₹ Million, unless otherwise stated)

27 Cost of materials consumed

	For the year ended	
	March 31, 2020	March 31, 2019
Opening stock of raw materials	5,050	4,636
Add : Purchases of raw materials	35,759	42,416
Less: Closing stock of raw materials	5,115	5,050
Total	**35,694**	**42,002**

28 Changes in inventory of finished goods, work in progress and stock in trade

	For the year ended	
	March 31, 2020	March 31, 2019
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	1,908	1,540
Work-in-progress	1,922	1,768
Total A	**3,830**	**3,308**
Stock at the end of the year:		
Finished goods	1,440	1,908
Work-in-progress	1,905	1,922
Total B	**3,345**	**3,830**
(Increase)/ decrease in stocks (A-B)	**485**	**(522)**

29 Employee benefit expense

	For the year ended	
	March 31, 2020	March 31, 2019
Salary, wages & bonus	10,417	9,975
Contribution to provident & other fund (Refer note 21)	531	526
Gratuity (Refer note 21)	154	126
Staff welfare expenses	1,074	1,158
Total	**12,176**	**11,785**

30 Other expenses

	For the year ended	
	March 31, 2020	March 31, 2019
Electricity, water and fuel	1,309	1,400
Repairs and maintenance:		
Machinery	620	996
Building	420	479
Others	272	316
Consumption of stores and spare parts	569	699
Conversion charges	196	229
Lease rent (Refer note 46)	455	751
Rates & taxes	48	45
Insurance	215	137
Donation	21	19
Travelling	455	640
Freight & forwarding	1,218	1,331
Royalty	315	90
Cash Discount	-	1
Commission	54	58
Provision for diminution in value of investments	-	20
Bad debts/ advances written off	1	0
Provision for doubtful debts/advances	4	-
Legal & professional expenses (Refer note (a) below)	1,164	1,083
Expenditure towards corporate social responsibility (CSR) activities (Refer note (b) below)	37	130
Miscellaneous expenses	1,006	777
Total	**8,379**	**9,201**

(a) Payment to auditors:

	For the year ended	
	March 31, 2020	March 31, 2019
As Auditor:		
Audit fees (including limited review)	40	37
Other services	2	0
Reimbursement of expenses	4	3
Total	**46**	**40**

(b) Corporate social responsibility expenditure

		For the year ended	
		March 31, 2020	March 31, 2019
(i)	Contribution to Swarn Lata Motherson Trust	35	127
(ii)	Contribution towards welfare of the society	2	3
		37	**130**
	Amount required to be spent as per Section 135 of the Act	230	209
	Amount spent during the year on:		
(i)	Construction/acquisition of asset	-	-
(ii)	Purpose other than (i) above	37	130
		37	**130**

31 Finance costs

	For the year ended	
	March 31, 2020	March 31, 2019
Interest on long term borrowings	92	105
Exchange differences regarded as an adjustment to borrowing costs [1]	(73)	(175)
Interest on lease liabilities	88	
Other finance costs	199	246
Total	**306**	**176**

[1] Includes foreign exchange loss/ (gain) on long term loan facilities of ₹ 512 million (March 31, 2019 : ₹ 369 million) and Mark to Market (gain)/ loss on derivatives of ₹ (585) million (March 31, 2019: ₹ (543) million)

32 Depreciation and amortization expense

	For the year ended	
	March 31, 2020	March 31, 2019
Depreciation on property, plant and equipment	2,305	2,178
Depreciation on right of use assets[1]	468	-
Amortization on intangible assets	0	4
Depreciation on investment Property[1]	121	20
Less: Capitalised during the year[2]	(11)	(9)
Total	**2,883**	**2,193**

[1] Includes impairment loss amounting to ₹ 200 million (March 31, 2019 : Nil) on Right-of-use assets and ₹ 100 million (March 31, 2019 : Nil) on investment property during the year.

[2] Includes depreciation of ₹ 11 million (March 31, 2019 : ₹ 9 million) capitalised during the year on assets used for creation of self generated assets (Refer note 3).

33 Income tax expense

(a) Income tax expense

	For the year ended	
	March 31, 2020	**March 31, 2019**
Current tax		
Current income tax charged	2,729	3,463
Adjustments for current tax of prior years	13	(357)
Total current tax expense	**2,742**	**3,106**
Deferred tax (Refer note 10)		
Decrease/ (increase) in deferred tax assets (net)	(116)	980
Total deferred tax expense / (benefit)	**(116)**	**980**
Income tax expense	**2,626**	**4,086**
Income tax expense is attributable to:		
Profit from continuing operations	2,626	4,086
	2,626	**4,086**

The Company elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has recognised provision for Income Tax for the year and re-measured its deferred tax asset (or/and deferred tax liability) basis the rate prescribed in the said section. Accordingly, deferred tax asset has increased by ₹ 18 million. The tax charge for the year has decreased by ₹ 665 million.

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended	
	March 31, 2020	**March 31, 2019**
Profit before income tax expense	11,614	12,224
Tax at India's tax rate of 25.168% (March 2019: 34.944%)	2,923	4,271
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)	(263)	(376)
Tax impact on impairment loss recognised	52	-
Impact of tax rate change on opening deferred tax	50	-
Weighted deduction for expenditure incurred on research and development	-	(62)
Adjustments for tax of prior periods	13	155
Tax deductions under Chapter VIA	-	(61)
Tax impact on effective portion of fair value hedge	(200)	171
Other adjustments	51	(12)
Income tax expense	**2,626**	**4,086**

34 Earnings per share

		March 31, 2020	March 31, 2019
a)	**Basic**		
	Net profit after tax available for equity Shareholders	8,988	8,138
	Equity shares outstanding at the beginning of the year	3,157,934,237	2,105,289,491
	Add: Bonus shares issued by capitalisation of securities premium	-	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, 2019 : ₹ 1 each)	**2.85**	**2.58**
b)	Diluted (Refer note (i) below)		
	Net profit after tax available for equity Shareholders	8,988	8,138
	Weighted average number of Equity Shares of ₹ 1 each (March 31, 2019 : ₹ 1 each)	3,157,934,237	3,157,934,237
	Diluted earnings (in ₹) per share of ₹ 1 each. (March 31, 2019 : ₹ 1 each)	**2.85**	**2.58**

(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, 2020	March 31, 2019
Employee benefit expenses	210	178
Other expenses	51	60
Capital expenditure	1	39

36 Fair value measurements

Financial instruments by category

	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised Cost*	FVPL	FVOCI	Amortised Cost*
Financial assets						
Investments	-	192	-	-	198	-
Trade receivables	-	-	8,675	-	-	8,090
Loans	-	-	265	-	-	168
Cash and cash equivalents	-	-	2,366	-	-	1,382
Other financial assets	-	-	1,188	-	-	1,939
Total financial assets	**-**	**192**	**12,494**	**-**	**198**	**11,579**
Financial Liabilities						
Borrowings	-	-	14,194	-	-	11,357
Trade payables	-	-	9,056	-	-	8,948
Other financial liabilities	873	-	1,937	665	-	2,180
Total financial liabilities	**873**	**-**	**25,187**	**665**	**-**	**22,485**

i. Fair value hierarchy

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2020

	Level1	Level 2	Level 3	Total
Financial asset				
Financial Investments at FVOCI				
Listed equity investments	6	-	-	6
Unquoted equity investments	-	-	186	186
Total financial asset	**6**	**-**	**186**	**192**
Financial liabilities				
Borrowings	-	-	14,194	14,194
Other financial liabilities	-	873	226	1,099
Total financial liabilities	**-**	**873**	**14,420**	**15,293**

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 financial asset	**10**	**-**	**188**	**198**
Financial liabilities				
Borrowings	-	-	11,357	11,357
Other financial liabilities	-	665	164	830
Total financial liabilities	**-**	**665**	**11,521**	**12,187**

*The carrying amounts of trade receivables, borrowings, 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 year ended March 31, 2020 and March 31, 2019:

	Unquoted equity instruments
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**
Additions during the year	-
Disposals during the year	-
Gains/(losses) recognised in other comprehensive income	(2)
As at March 31, 2020	**186**

iv. Fair value of non current financial assets and liabilities measured at amortised cost

	March 31, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets				
Loan to related party [1]	125	125	-	-
Loan to employees [1]	51	51	58	58
	176	**176**	**58**	**58**
Financial Liabilities				
Borrowings [2]	11,915	11,915	11,337	11,337
Other financial liabilities [1]	226	226	164	164
	12,141	**12,141**	**11,501**	**11,501**

[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 ₹ 6,039 million as at March 31, 2020 (March 31, 2019: ₹ 5,524 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, 2020	March 31, 2019
Unquoted equity instruments	186	188
Significant unobservable inputs[1]		
Earnings growth rate	4%	4%
Risk adjusted discount rate	16%	16%
Sensitivity		
Impact of change in risk adjusted discount rate [2]		
Decrease in discount rate by 0.50%	19	19
Increase in discount rate by 0.50%	(17)	(17)
Impact of change in earnings growth rate [2]		
Decrease in growth rate by 0.50%	(14)	(14)
Increase in growth rate by 0.50%	16	16

[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, fiinancial 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 fiinancial instruments. These guidelines contain a clear allocation of duties. Risks are controlled and monitored by means of operational and fiinancial 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, 2020	As At March 31, 2019
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, 2020 Payable / (Receivable)		March 31, 2019 Payable / (Receivable)	
	Amount in Foreign currency in million	Amount in ₹	Amount in Foreign currency in million	Amount in ₹
AUD	(0)	(12)	(0)	(7)
CHF	0	17	0	11
CNY	8	85	19	191
EUR	(9)	(768)	(4)	(297)
GBP	(0)	(19)	0	27
JPY	1,881	1,329	2,294	1,433
KRW	(1,431)	(89)	-	-
SEK	0	1	0	1
SGD	0	2	0	2
THB	15	36	14	30
USD	(0)	(20)	92	6,389
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, 2020	March 31, 2019
Increase by 1% in forex rate	(6)	(78)
Decrease by 1% in forex rate	6	78

(iii) Mark to market losses / (gain) on cross currency interest rate swaps

	For the year ended	
	March 31, 2020	March 31, 2019
Mark to Market losses/(gain) on cross currency interest rate swaps	208	(1,031)

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, 2020 and March 31, 2019, 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, 2020	March 31, 2019
Variable rate borrowings	8,318	5,544
Fixed rate borrowings	5,876	5,813
Total borrowings	**14,194**	**11,357**

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, 2020	March 31, 2019
Interest rates-increase by 50 basis points*	(42)	(28)
Interest rates-decrease by 50 basis points*	42	28

* 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, 2020	March 31, 2019
Floating rate		
- Expiring within one year (cash credit and other facilities)	5,221	5,998

(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 and derivative financial liabilities:

Year Ended March 31, 2020	Upto 1 year	1 to 5 years	More than 5 years	Total
Non-derivatives				
Borrowings	2,351	12,059	-	**14,410**
Trade payables	9,056	-	-	**9,056**
Other financial liabilities	1,710	226	-	**1,936**
Lease liabilities	219	690	645	**1,554**
Total non-derivative liabilities	**13,336**	**12,975**	**645**	**26,956**
Derivatives				
Foreign exchange forward contracts	873	873		
Total derivative liabilities	**873**	**-**	**-**	**873**

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	2,015	164	-	**2,179**
Total non-derivative liabilities	**11,056**	**11,680**	**-**	**22,736**
Derivatives				
Foreign exchange forward contracts	665	665		
Total derivative liabilities	**665**	**-**	**-**	**665**

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, 2020					
(i) Cross currency interest rate swap	USD 80; EUR 74	-	67	Other financial liabilities	(142)
	₹ 5,750; EUR 81	-	808		351
(ii) Loan	USD 80	-	6,044	Non-current borrowings	512
	₹ 5,750	-	5,750		-
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		-

(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, 2020:							
(i) Investment	14,604		1,885	-	Non-current investments	793	-
For March 31, 2019:							
(i) Investment	13,810		1,092	-	Non-current investments	(487)	-

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 2020:		
(i) Investment	(72)	Finance cost
For year ended on 31 March 2019:		
(i) Investment	(226)	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, 2020	March 31, 2019
Net Debt*	11,888	10,019
EBITDA	14,803	14,592
Net Debt to EBITDA	**0.80**	**0.69**

*Lease liabilities recognised as per Ind AS 116 is not included in Net Debt (Refer Note 46)

(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, 2020	March 31, 2019
On Equity shares of ₹ 1 each		
Final dividend		
Amount of dividend paid (pertains to previous financial year)	4,737	4,737
Dividend per equity share	1.50	2.25
Interim Dividend		
Amount of dividend paid	4,737	-
Dividend per equity share	1.50	-

39 Distribution made and proposed

	March 31, 2020	March 31, 2019
Cash dividends on equity shares declared and paid		
Final cash dividend for the year ended on March 31, 2019: ₹ 1.5 (March 31, 2018: ₹ 2.25) per share	4,737	4,737
DDT on final dividend*	915	766
Interim dividend for the year ended on March 31, 2020: ₹ 1.5 per share (March 31, 2019: Nil per share)	4,737	-
DDT on interim dividend	425	-
	10,814	**5,503**
Proposed dividends on Equity shares		
Final cash dividend for the year ended on March 31, 2020: Nil (March 31, 2019: ₹ 1.5 per share)	-	4,737
DDT on proposed dividend	-	974
	-	**5,711**

* 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 Company

			Ownership interest	
	Name	Place of incorporation	March 31, 2020	March 31, 2019
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 Motherson Innovations Tech Limited (esrt 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 Motherson Techno Precision México, S.A. de C.V
17 MSSL Manufacturing Hungary Kft
18 Motherson Air Travel Pvt Ltd
19 MSSL Australia Pty Limited
20 Motherson Elastomers Pty Limited
21 Motherson Investments Pty Limited
22 MSSL Ireland Private Limited
23 MSSL Global RSA Module Engineering Limited
24 MSSL Japan Limited
25 Vacuform 2000 (Proprietary) Limited
26 MSSL México, S.A. De C.V.
27 MSSL WH System (Thailand) Co., Ltd
28 MSSL Korea WH Limited
29 MSSL Consolidated Inc.
30 MSSL Wiring System Inc
31 Alphabet de Mexico, S.A. de C.V.
32 Alphabet de Mexico de Monclova, S.A. de C.V.
33 Alphabet de Saltillo, S.A. de C.V.
34 MSSL Wirings Juarez, S.A. de C.V.
35 Samvardhana Motherson Global Holdings Ltd.
36 Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV)
37 Samvardhana Motherson Reflectec Group Holdings Limited (SMR)
38 SMR Automotive Technology Holding Cyprus Limited
39 SMR Automotive Mirror Parts and Holdings UK Ltd
40 SMR Automotive Holding Hong Kong Limited
41 SMR Automotive Systems India Limited
42 SMR Automotive Systems France S.A.
43 SMR Automotive Mirror Technology Holding Hungary KFT
44 SMR Patents S.à.r.l.
45 SMR Automotive Technology Valencia S.A.U.
46 SMR Automotive Mirrors UK Limited
47 SMR Automotive Mirror International USA Inc.
48 SMR Automotive Systems USA Inc.
49 SMR Automotive Beijing Company Limited
50 SMR Automotive Yancheng Co. Limited
51 SMR Automotive Mirror Systems Holding Deutschland GmbH
52 SMR Holding Australia Pty Limited

(All amounts in ₹ Million, unless otherwise stated)

53	SMR Automotive Australia Pty Limited
54	SMR Automotive Mirror Technology Hungary BT
55	SMR Automotive Modules Korea Ltd.
56	SMR Automotive Beteiligungen Deutschland GmbH
57	SMR Hyosang Automotive Ltd.
58	SMR Automotive Mirrors Stuttgart GmbH
59	SMR Automotive Systems Spain S.A.U.
60	SMR Automotive Vision Systems Mexico S.A. de C.V.
61	SMR Grundbesitz GmbH & Co. KG
62	SMR Automotive Brasil Ltda.
63	SMR Automotive System (Thailand) Limited
64	SMR Automotives Systems Macedonia Dooel Skopje
65	SMR Automotive Operations Japan K.K.
66	SMR Automotive (Langfang) Co. Ltd
67	SMR Automotive Vision System Operations USA INC
68	SMR Mirror UK Limited
69	Motherson Innovations Company Limited
70	Motherson Innovations Deutschland GmbH
71	Samvardhana Motherson Global (FZE)
72	SMR Automotive Industries RUS Limited Liability Company
73	Re-time Pty Limited
74	Samvardhana Motherson Peguform GmbH (SMP)
75	SMP Automotive Interiors (Beijing) Co. Ltd.
76	SMP Deutschland GmbH
77	SMP Logistik Service GmbH
78	SMP Automotive Solutions Slovakia s.r.o.
79	Changchun Peguform Automotive Plastics Technology Co., Ltd.
80	Foshan Peguform Automotive Plastics Technology Co. Ltd.
81	Shenyang SMP Automotive Plastic Component Co. Ltd.
82	Tianjin SMP Automotive Component Company Limited
83	SMP Automotive Technology Management Services (Changchun) Co. Ltd.
84	SMP Automotive Technology Iberica S.L.
85	Samvardhana Motherson Peguform Barcelona S.L.U
86	SMP Automotive Technologies Teruel Sociedad Limitada
87	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.
88	SMP Automotive Systems Mexico S.A. de C.V.
89	SMP Automotive Produtos Automotivos do Brasil Ltda.
90	SMP Automotive Exterior GmbH
91	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG
92	Samvardhana Motherson Innovative Autosystems Holding Company BV
93	SM Real Estate GmbH

94 Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.
95 SMP Automotive Systems Alabama Inc.
96 Celulosa Fabril (Cefa) S.A.
97 Modulos Ribera Alta S.L.Unipersonal
98 Motherson Innovations Lights GmbH & Co KG
99 Motherson Innovations Lights Verwaltungs GmbH
100 MSSL Estonia WH OÜ
101 PKC Group Oy
102 PKC Wiring Systems Oy
103 PKC Group Poland Sp. z o.o.
104 PKC Wiring Systems Llc
105 PKC Group APAC Limited
106 PKC Group Canada Inc.
107 PKC Group USA Inc.
108 PKC Group Mexico S.A. de C.V.
109 Project del Holding S.a.r.l.
110 PK Cables do Brasil Ltda
111 PKC Eesti AS
112 TKV-sarjat Oy
113 PKC SEGU Systemelektrik GmbH
114 Groclin Luxembourg S.à r.l.
115 PKC Vehicle Technology (Suzhou) Co., Ltd.
116 AEES Inc.
117 PKC Group Lithuania UAB
118 PKC Group Poland Holding Sp. z o.o.
119 OOO AEK
120 Kabel-Technik-Polska Sp. z o.o.
121 T.I.C.S. Corporation
122 AEES Power Systems Limited partnership
123 Fortitude Industries Inc.
124 AEES Manufactuera, S. De R.L de C.V.
125 Cableodos del Norte II, S. de R.L de C.V.
126 Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.
127 Arneses y Accesorios de México, S. de R.L de C.V.
128 Asesoria Mexicana Empresarial, S. de R.L de C.V.
129 Arneses de Ciudad Juarez, S. de R.L de C.V.
130 PKC Group de Piedras Negras, S. de R.L. de C.V.
131 PKC Group AEES Commercial S. de R.L de C.V
132 Jiangsu Huakai-PKC Wire Harness Co., Ltd.
133 PKC Vechicle Technology (Hefei) Co, Ltd.
134 Shangdong Huakai-PKC Wire Harness Co., Ltd.

135 Motherson Rolling Stock Systems GB Limited
136 Motherson PKC Harness Systems FZ-LLC (incorporated on July 7, 2019)
137 Wisetime Oy (become subsidiary w.e.f March 6, 2020)
138 Global Environment Management (FZC)
139 SMRC Automotive Interiors Management B.V.
140 SMRC Automotive Holdings B.V.
141 SMRC Automotive Holdings Netherlands B.V.
142 SMRC Automotives Techno Minority Holdings B.V.
143 SMRC Smart Automotive Interior Technologies USA, LLC
144 SMRC Automotive Modules France SAS
145 Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.
146 SMRC Automotive Interiors Spain S.L.U.
147 SMRC Automotive Interior Modules Croatia d.o.o
148 Samvardhana Motherson Reydel Autotecc Morocco SAS
149 SMRC Automotive Technology RU LLC
150 SMRC Smart Interior Systems Germany GmbH
151 SMRC Automotive Interiors Products Poland SA
152 SMRC Automotive Solutions Slovakia s.r.o.
153 SMRC Automotive Holding South America B.V.
154 SMRC Automotive Modules South America Minority Holdings B.V.
155 SMRC Automotive Tech Argentina S.A.
156 SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda
157 SMRC Automotive Products India Private Limited
158 SMRC Automotive Smart Interior Tech (Thailand) Ltd.
159 SMRC Automotive Interiors Japan Ltd.
160 Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.
161 PT SMRC Automotive Technology Indonesia
162 Yujin SMRC Automotive Techno Corp.
163 SMRC Automotives Technology Phil Inc.
164 Motherson Innovations LLC
165 Samvardhana Motherson Corp Management Shanghai Co Ltd.
166 Motherson Ossia Innovations llc.
167 MSSL M Tooling Ltd
168 Samvardhana Motherson Polymers Management Germany GmbH (merged with MSSL GmbH on August 30, 2019)
169 PKC Netherlands Holding B.V. (Liquidated on July 31, 2019)
170 PK Cables Nederland B.V. (Liquidated on July 31, 2019)
171 SMR Automotive Servicios Mexico S.A. de C.V. (liquidated on July 2, 2019)
172 Global Environment Management Australia Pty Limited (liquidated on April 20, 2018)
173 MSSL Overseas Wiring System Ltd. (liquidated on January 29, 2019)

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 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 40 (I) above:

(a) Key management personnel compensation

	March 31, 2020	March 31, 2019
Short-term employee benefits	61	55
Directors commission/sitting fees	18	21
Post-employment benefits payable	46	40
Long-term employee benefits payable	16	14

(b) Transactions with related parties

S. No.	Particulars	Subsidiaries		Joint ventures		Key Management personnel		Joint control over the entity		Other related parties	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Sale of products	5,908	5,711	1,679	1,190	-	-	1	4	315	344
2	Sales of services	963	126	480	691	-	-	0	14	8	6
3	Rent income	-	-	23	29	-	-	-	-	34	26
4	Sale of property, plant and equipment	-	-	-	-	-	-	0	0	-	1
5	Purchase of goods	1,230	1,670	4	6	-	-	5,761	6,319	1,605	1,353
6	Purchase of property, plant and equipment & Right-of-use assets	30	10	-	-	-	-	84	44	1,713	1,830
7	Purchase of services	291	246	1	0	-	-	31	55	1,140	1,265
8	Rent expense	-	-	-	-	5 *	5 *	30	31	324	457
9	Payment of lease liability	-	-	-	-	-	-	-	-	169	-
10	Reimbursement made	116	130	0	0	0	0	17	7	30	26
11	Reimbursement received	75	53	0	2	-	-	1	8	5	5
12	Royalty	-	-	-	-	-	-	310	91	-	-
13	Dividend paid	-	-	-	-	270 **	135 **	5,545	2,773	10	5
14	Dividend received	2,991	1,055	101	172	-	-	-	-	2	-
15	Investment made	3	-	-	-	-	-	-	-	-	-
16	Guarantee given during the year	411	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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Trade Payable	295	336	0	0	-	-	2,044	1,512	611	568
2	Trade Receivable	2,494	1,106	146	223	-	-	1	1	83	94
3	Other financial assets	42	31	-	-	-	-	-	-	-	-
4	Advances recoverable	3	2	-	0	-	-	-	0	134	178
5	Advances from customer	37	110	-	-	-	-	1	0	0	1
6	Investments	44,320	44,317	486	486	11	11	-	-	14	14
7	Guarantees given	13,127	19,953	-	-	-	-	-	-	-	-

(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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
i.	**Security deposits given:**						
	Beginning of the year	-	-	-	-	464	427
	Security deposit given	-	-	-	-	75	68
	Security deposits received back	-	-	-	-	(51)	(31)
	End of the year	-	-	-	-	488	464
ii.	Security Deposit Received:						
	Beginning of the year	-	-	35	35	14	16
	Security deposits received	-	-	-	-	-	-
	Security deposits repaid	-	-	-	-	-	(2)
	End of the year	-	-	35	35	14	14
iii.	Loans given						
	Beginning of the year	14	11	-	-	-	-
	Loans given	-	2	-	-	125	-
	Interest charged	1	1	-	-	6	-
	Interest received	-	-	-	-	-	-
	Loans received back	(13)	-	-	-	-	-
	End of the year	1	14	-	-	131	-

* Rent of ₹ 5 million (March 31, 2019: ₹ 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of ₹ 270 million (March 31, 2019 : ₹ 135 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, Alok Goel and Mr. Gautam Mukherjee.

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, 2020	March 31, 2019
India	57,926	65,868
Outside India	10,812	9,944
	68,738	**75,813**

Type of goods or Services	March 31, 2020	March 31, 2019
Sales of Components	65,034	72,934
Tool development	1,287	1,025
Others operating revenue	1,821	1,148
Total revenue from contracts with customers	**68,142**	**75,107**

Timing of revenue recognition	March 31, 2020	March 31, 2019
As a point in time	66,855	74,082
Over a period of time	1,287	1,025
Total revenue from contracts with customers	**68,142**	**75,107**

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, 2020	March 31, 2019
India	20,572	19,208
Outside India	-	0
	20,572	**19,208**

		March 31, 2020	March 31, 2019
iii)	Capital expenditure	3,471	3,976

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, 2020	March 31, 2019
Customer 1	22,690	25,171

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, 2020	March 31, 2019
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (net of advances of ₹ 85 million (March 31, 2019: ₹ 97 million))	534	997
Investment property		
Estimated value of purchase consideration outstanding, (net of advances of ₹ 110 million (March 31, 2019: ₹ 107 million))	-	3
Total	**534**	**1,000**

43 Contingent liabilities:

Claims against the Company not acknowledged as debts

		March 31, 2020	March 31, 2019
a)	Excise, sales tax and service tax matters*	65	94
b)	Claims made by workmen	44	41
c)	Income tax matters	152	120

* Against which Company has given bank guarantees amounting to ₹ 2 million (March 31, 2019 : ₹ 6 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, 2020	March 31, 2019
Current:			
Financial assets			
First charge			
Cash and cash equivalents	13(a)	2,300	1,333
Trade receivables	8	8,675	8,090
Inventory	12	9,931	10,551
Other current assets		2,315	3,902
Total current assets pledged as security		**23,220**	**23,876**
Non Current:			
Second charge			
Freehold and leasehold land	3	987	2,586
Buildings and leasehold improvements	3	7,583	7,041
Plant & Machinery	3	6,906	7,067
Other items of PPE	3	343	393
Investment property	4	747	872
Non current investment	6(a)	24,705	24,705
Capital advance	11	110	-
Total non-current assets pledged as security		**41,380**	**42,664**
Total assets pledged as security		**64,600**	**66,540**

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.

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2020	March 31, 2019
Within one year	265	496
More than one year	1	-
Total	**266**	**496**

Table below provides information on revenue recognised from :

	March 31, 2020	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	352	285
Performance obligations partly satisfied in previous years	289	216

The table below represents summary of contract assets and liabilities relating to contracts with customers:

	March 31, 2020	March 31, 2019
Receivables	8,675	8,090
Contract assets	423	1,214
Contract liabilities (Refer note 24)	838	1,010

46 Leases

The Company elected to apply Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 01, 2019, using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been restated. The Company assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Company recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

The Company has leases contracts for land, premises, plant & machinery and vehicles. These lease arrangements for land are for a period upto 99 years, for premises are for a period upto 10 years, plant & machinery are for a period upto 5 years and vehicles are for a period upto 5 years. The Company also has certain leases of machinery, computers, vehicles with lease terms of 12 months or less and leases of office equipment with low value. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

As at March 31, 2019, the Company had minimum lease payment commitment under non-cancellable operating leases of ₹ 18 million. Pursuant to adoption of Ind AS 116, lease liabilities of ₹ 806 million were recognised on April 01, 2019, the transition date. The difference between the operating lease commitments under Ind AS 17 and lease liabilities recognised under Ind AS 116 is largely due to discounting of lease commitments and adoption of practical expedients on exclusion of short-term leases and leases of lowvalue and other adjustments due to reassessment of terms of the contracts.

As at the transition date April 01, 2019 following impacts were recognised in financial position on account of recognition of right of use assets, lease liabilities and reclassification of existing finance lease assets and liabilities.

	March 31, 2019	April 01, 2019	Change
Property, plant & equipment (Refer note 3)	17,087	16,280	(806)
Right-of-use assets (Refer note 3)	-	923	923
Other receivables and assets (non-current and current)	2,381	2,265	(116)
Borrowings (non-current and non current, including current maturity of long term borrowing)	14,194	14,194	-
Lease Liabilities	-	806	806

The carrying amounts of lease liabilities and the movements during the period is given below:

	March 31, 2020
Recognised as at April 01, 2019 on account of adoption of ind AS 116	806
	806

	March 31, 2020
Current lease liabilities	137
Non-current lease liabilities	791
	928

Amount recognised in statement of profit and loss during the year on account of Ind AS 116

	March 31, 2020
Interest expense on lease liabilities (included in finance cost)	88
Depreciation of Right of Use assets	248
Lease expense derecognised	289
Other items included in statement of profit and loss during the year:	
Short term and low value lease payments	455

47 Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers;(ii) revision of estimations of costs to complete the contract because of additional efforts; (iii) termination or deferment of contracts by customers. The Company has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of Investments and other financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Company has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company’s financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

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, 2020	March 31, 2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	155	202
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	(0)	3
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	1,767	1,864
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	5	14
Further interest remaining due and payable for earlier years	-	-

49 During the year, the Company has recognised an expense of ₹ 56 million (31 March 2019: Nil) toward its proportionate share of costs allocated by the Samvardhana Employees Welfare Trust ('the Trust') constituted by Samvardhana Motherson International Limited for providing share scheme and other benefits to the employees of the participating companies. The trust helps the employees of participating companies to dispose off shares at fair value .

The Company has also given a loan amounting to ₹ 125 million (31 March 2019: Nil) to the Trust and is outstanding as on March 31, 2020. The loan carries interest @ rate of 9.5% p.a. and is repayable after 5 years from the date of loan.

50 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, 2020	March 31, 2019
Loan to Subsidiary : Samvardhana Motherson Polymer Limited		
Balance as at year end	-	2
Maximum amount outstanding at any time during the year	2	2

	March 31, 2020	March 31, 2019
Loan to Subsidiary: Motherson Polymers Compounding Solution Limited		
Balance as at year end	-	12
Maximum amount outstanding at any time during the year	12	12

b) Investment by the loanees in the shares of the Company: The loanees have not made any investment in the shares of the Company.

51 The Board of Directors in its meeting dated January 30, 2020, has constituted Sub Committee to examine and submit proposal to the Board for reorganization of business within the group which will, inter alia, demerge domestic wiring harness business of the Company into a newly formed legal entity with mirror shareholding, which shall be listed and consolidating shareholding in Samvardhana Motherson Automotive Systems Group B.V. ("SMRP BV") in MSSL through a process of merger to bring 49% stake held by Samvardhana Motherson International Limited ("SAMIL") in SMRP BV into MSSL. The sub-committee as formed by the Board of directors is currently evaluating all options which will be submitted to the board for their final approval and necessary actions thereafter.

52 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: Gurugram
Date: June 02, 2020

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: June 02, 2020

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 2020, 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, 2020, 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, 2020. 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.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Property, Plant and Equipment (PPE) with particular reference to greenfield locations and Goodwill arising out of one of the business combinations (as described in note 3a, and 5 of the consolidated Ind AS financial statements)	
The Group has a total balance of PPE as at March 31, 2020 of ₹ 147,138 million out of which ₹ 24,997 million relates to green field locations which are incurring losses and were tested for impairment assessments. Further, consolidated balance sheet also includes the goodwill resulting from one of the earlier business acquisitions amounting to ₹ 19,964 million as on March 31, 2020. The impairment assessment of PPE belonging to these green field facilities and the Goodwill resulting from earlier acquisition was complex and highly judgmental due to the significant estimation required to determine the Value-In-Use (VIU). In particular, the determination of the VIU is sensitive to significant assumptions, such as changes in the discount rate, revenues (pricing and volume growth), operating margin and terminal value, which are affected by expectations about future market or economic conditions, particularly those related to the greenfield projects. Accordingly, the matter has been identified as KAM.	The procedures performed by us and other auditors includes following: • Assessed the process followed, impairment methodology applied by the Group and obtained an understanding of the analysis performed by management for the purposes of the impairment assessment; • Evaluated through an analysis of internal and external factors impacting the Group, whether there were any indicators of impairment in accordance with Ind AS 36; • Assessed the operating margins, discount rates and revenue growth applied within the model, with the support of valuation specialists and sensitivity analysis; • Obtained and evaluated reasonableness of the future growth considering historical trend and industry benchmark; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements, including those related to reasonably possible changes in key assumptions that could lead to an impairment of Property, plant and equipment.
De-recognition of trade receivables under factoring facilities (as described in note 2.1 q and 8 of the consolidated Ind AS financial statements)	
The Group enters into non-recourse factoring arrangements for its trade receivables with various banks/financial institutions. As at 31 March 2020 the Group had factoring facilities in place for trade receivables amounting to ₹ 42,813 million which were de-recognized in the financial statements. 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.	The procedures performed by us and other auditors includes following: • Obtained an understanding of the process related to de-recognition of trade receivables; • Evaluated the assessment made by management covering significant factoring contracts; • For certain new contracts entered during the year, tested their nature and evaluated whether key terms and conditions thereof are in line with the guidance prescribed under Ind AS 109, "Financial Instruments"; • Read and assessed the disclosure made in the financial statements for assessing compliance with disclosure requirements.

Emphasis of Matter- Corona developments

The developments surrounding the Corona (Covid-19) virus have a profound impact on people's health and on our society as a whole, as well as on the operational and financial performance of organizations. The situation changes on a daily basis giving rise to inherent uncertainty. The Group is confronted with this uncertainty as well, which has been disclosed in the note 52 to the Ind AS financial statements, together with its evaluation thereof. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.

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 consolidated Ind AS financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we will 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 identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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, 2020 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 79 subsidiaries, whose Ind AS financial statements include total assets of ₹ 753,579 million as at March 31, 2020, and total revenues of ₹ 505,861 million and net cash inflows of ₹ 12,195 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 ₹ 631 million for the year ended March 31, 2020, as considered in the consolidated Ind AS financial statements, in respect of 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 63 subsidiaries, whose financial statements and other financial information reflect total assets of ₹ 72,500 million as at March 31, 2020, and total revenues of ₹ 9,524 million and net cash inflows of ₹ 178 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, 2020, as considered in the consolidated Ind AS financial statements, in respect of 2 associates and 2 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 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 except 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, 2020 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, 2020 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, 2020 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 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, 2020.

For **S.R. Batliboi & CO. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Per **Pankaj Chadha**
Partner
Membership Number: 091813
UDIN: 20091813AAAACI5488

Place of Signature: Gurugram
Date: June 2, 2020

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF MOTHERSON SUMI SYSTEMS LIMTED

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, 2020, 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 31,2020, 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 5 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
UDIN: 20091813AAAACI548

Place of Signature: Gurugram
Date: June 02, 2020

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED BALANCE SHEET

	Notes	As At March 31, 2020	As At March 31, 2019
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	147,138	140,539
Right-to-use assets	3(b)	15,596	-
Capital work-in-progress		8,154	10,463
Investment property	4	1,197	1,304
Goodwill	5	24,060	22,118
Other intangible assets	5	19,510	20,266
Intangible assets under development		364	205
Investments accounted for using the equity method	48	6,341	6,155
Financial assets			
i. Investments	6 (a)	1,614	2,389
ii. Loans	7	177	58
iii. Trade receivables	8	13,998	11,629
iv. Other financial assets	9	1,228	680
Deferred tax assets (net)	10 (a)	5,030	6,123
Other non-current assets	11	12,165	9,353
Non-current tax assets (net)	23	3,732	2,524
Total non-current assets		**260,304**	**233,806**
Current assets			
Inventories	12	51,566	46,634
Financial assets			
i. Investments	6 (b)	6	10
ii. Trade receivables	8	51,784	61,663
iii. Cash and cash equivalents	13(a)	48,688	35,399
iv. Bank balances other than (iii) above	13(b)	101	70
v. Loans	7	313	217
vi. Other financial assets	9	30,882	42,167
Other current assets	14	11,314	13,336
Total current assets		**194,654**	**199,496**
Total assets		**454,958**	**433,302**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	3,158	3,158
Other equity			
Reserves and surplus	16 (a)	103,958	102,937
Other reserves	16 (b)	5,493	3,522
Equity attributable to owners of the Company		**112,609**	**109,627**
Non controlling interests		35,650	34,797
Total equity		**148,259**	**144,424**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	As At March 31, 2020	As At March 31, 2019
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	17 (a)	82,612	80,995
ii. Lease liabilities	46	10,300	-
iii. Other financial liabilities	18	3,794	4,688
Provisions	20	753	886
Employee benefit obligations	21	4,801	4,465
Deferred tax liabilities (net)	10 (b)	4,627	5,762
Government grants	22	2,433	1,956
Other non-current liabilities	24 (a)	1,671	1,220
Total non-current liabilities		**110,991**	**99,972**
Current liabilities			
Financial Liabilities			
i. Borrowings	17 (b)	34,079	28,433
ii. Lease liabilities	46	3,363	-
iii. Trade payables	19	103,091	106,613
iv. Other financial liabilities	18	33,082	32,628
Provisions	20	2,052	1,579
Employee benefit obligations	21	2,283	2,270
Government grants	22	357	472
Current tax liabilities (net)	23	3,623	4,148
Other current liabilities	24 (b)	13,778	12,763
Total current liabilities		**195,708**	**188,906**
Total liabilities		**306,699**	**288,878**
Total equity and liabilities		**454,958**	**433,302**
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: Gurugram
Date: June 02, 2020

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: June 02, 2020

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Revenue			
Revenue from contract with customers	25 (a)	630,705	631,575
Other operating revenue	25 (b)	4,663	3,654
Total revenue from operations		**635,368**	**635,229**
Other income	26	2,307	2,202
Total income		**637,675**	**637,431**
Expenses			
Cost of materials consumed	27	355,470	363,694
Purchase of stock-in-trade		7,100	5,340
Change in inventories of finished goods, work-in-progress and stock in trade	28	145	(1,651)
Employee benefit expense	29	150,769	141,694
Depreciation and amortisation expense	32	27,780	20,582
Finance costs	31	5,986	4,232
Other expenses	30	69,871	72,668
Total expenses		**617,121**	**606,559**
Profit before exceptional items, share of net profit of investments accounted for using equity method and tax		**20,554**	**30,872**
Group's share in net profit / (loss) of associates and joint ventures accounted for using the equity method		575	1,131
Profit before tax		**21,129**	**32,003**
Tax expenses			
Current tax	33	9,043	11,860
Deferred tax expense/ (credit)	33	(859)	(838)
Total tax expense		**8,184**	**11,022**
Profit for the year		**12,945**	**20,981**
Other comprehensive income			
Items to be reclassified to profit or loss			
Exchange gain/(losses) on translation of foreign operations		5,940	(1,149)
Deferred gain / (losses) on cash flow hedges		(2,707)	1,027
		3,233	**(122)**
Income tax on items that may be reclassified to profit or loss		353	172
		3,586	**50**
Items not to be reclassified to profit or loss			
Changes in fair value of FVOCI equity instruments		(834)	(14)
Remeasurements of post-employment benefit obligations		(185)	(290)
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		(5)	0
		(1,024)	**(304)**

(All amounts in ₹ Million, unless otherwise stated)

	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Income tax relating to items that will not be reclassified to profit or loss		64	71
		(960)	**(233)**
Other comprehensive income for the year, net of tax		**2,626**	**(183)**
Total comprehensive income for the year, net of tax		**15,571**	**20,798**
Profit attributable to:			
Owners		11,701	16,131
Non-controlling interest		1,244	4,850
		12,945	**20,981**
Other comprehensive income attributable to:			
Owners		1,804	(353)
Non-controlling interest		822	170
		2,626	**(183)**
Total comprehensive income attributable to:			
Owners		13,505	15,778
Non-controlling interest		2,066	5,020
		15,571	**20,798**
Earnings per share	34		
Nominal value per share: ₹ 1 (Previous year : ₹ 1)			
Basic		3.71	5.11
Diluted		3.71	5.11
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: Gurugram
Date: June 02, 2020

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: June 02, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All amounts in ₹ Million, unless otherwise stated)

A. Equity share capital

	Notes	Amount
As at April 01, 2018		2,105
Issue of equity share capital	15	1,053
As at March 31, 2019		**3,158**
Issue of equity share capital	15	-
As at March 31, 2020		**3,158**

B. Other equity

		Reserves and Surplus					Items of OCI			Total attributable to Owners	Non Controlling interests	Total
	Notes	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, 2018		1,255	27,356	1,663	3,430	59,338	106	4,832	(1,244)	**96,736**	29,600	**126,336**
Profit for the year	16(a)	-	-	-	-	16,131	-	-	-	**16,131**	4,850	**20,981**
Other comprehensive income	16(a) & (b)	-	-	-	-	(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 47)		-	-	-	-	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**

(All amounts in ₹ Million, unless otherwise stated)

		Reserves and Surplus					Items of OCI			Total attributable to Owners	Non Controlling interests	Total
	Notes	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(a)	-	-	-	-	11,701	-	-	-	**11,701**	1,244	**12,945**
Other comprehensive income	16(a) & (b)	-	-	-	-	(156)	(420)	4,343	(1,963)	**1,804**	822	**2,626**
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**11,545**	**(420)**	**4,343**	**(1,963)**	**13,505**	**2,066**	**15,571**
Dividend paid	16 (a)	-	-	-	-	(9,474)	-	-	-	**(9,474)**	-	**(9,474)**
Tax on Dividend	16 (a)	-	-	-	-	(1,370)	-	-	-	**(1,370)**	-	**(1,370)**
Addition on account of business combination (Refer note 50)	16 (a)	171	-	-	-	-	-	-	-	**171**	8	**179**
Dividend to non controlling interest	48 B	-	-	-	-	-	-	-	-	**-**	(1,381)	**(1,381)**
Hyperinflation adjustment (Refer note 47)		-	-	-	-	149	-	-	-	**149**	143	**292**
Other addition / (deletion)		-	-	-	-	-	-	-	-	**-**	16	**16**
Balance at March 31, 2020		**1,920**	**26,303**	**1,663**	**3,430**	**70,642**	**(306)**	**8,053**	**(2,254)**	**109,451**	**35,650**	**145,101**
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: Gurugram
Date: June 02, 2020

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: June 02, 2020

(All amounts in ₹ Million, unless otherwise stated)

CONSOLIDATED CASH FLOW STATEMENT

		For the year Ended March 31, 2020	For the year Ended March 31, 2019
A.	**Cash flow from operating activities:**		
	Profit before tax	21,129	32,003
	Adjustments for:		
	Share of (profit)/loss in associates and joint ventures accounted for using the equity method	(575)	(1,131)
	Depreciation and amortisation expense	27,780	20,582
	Finance cost	5,986	4,232
	Interest income	(361)	(354)
	Dividend income	(6)	(8)
	Loss/ (gain) on disposal of property, plant & equipment	(41)	(96)
	Bad debts / advances written off	67	103
	Provision for doubtful debts / advances	42	20
	Liability no longer required written back	(497)	(130)
	Unrealised foreign currency loss/(gain)	4,571	(641)
	Operating profit before working capital changes	**58,095**	**54,580**
	Changes in working capital:		
	Increase/(decrease) in trade and other payables	(1,511)	(543)
	Increase/(decrease) in other financial liabilities	2,724	7,816
	(Increase)/decrease in trade receivables	8,146	4,284
	(Increase)/decrease in inventories	(4,360)	(4,826)
	(Increase)/decrease in other receivables	307	(2,165)
	(Increase)/decrease in other financial assets	10,895	(5,524)
	Cash generated from operations	**74,296**	**53,622**
	Taxes (paid) / received	(10,776)	(10,498)
	Net cash generated from operating activities	**63,520**	**43,124**
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)	(22,741)	(27,627)
	Proceeds from sale of property, plant & equipment and other intangible assets	799	774
	Proceeds from sale / (payment for purchase) of investments	33	(13)
	Loan (to)/repaid by related parties (net)	(199)	215
	Interest received	387	349
	Dividend received	6	8
	Dividend received from associates & joint venture entities	559	406
	(Investment)/Proceeds from maturity of deposits with remaining maturity for more than 12 months	(15)	-
	Consideration paid on acquisition of subsidiaries (Refer Note 50)	(1,228)	(7,217)
	Net cash (used) in investing activities	**(22,399)**	**(33,105)**

(All amounts in ₹ Million, unless otherwise stated)

		For the year Ended March 31, 2020	For the year Ended March 31, 2019
C.	**Cash flow from financing activities:**		
	Proceeds from minority shareholders	-	161
	Dividend paid	(9,457)	(4,140)
	Dividend distribution tax	(1,370)	(842)
	Dividend paid to minority share holders	(1,967)	(1,413)
	Interest paid	(5,667)	(4,159)
	Proceeds from long term borrowings	355	7,589
	Proceeds from short term borrowings	33,869	45,995
	Proceeds of loans from other related parties	4,182	5,947
	Repayment of long term borrowings	(5,809)	(13,226)
	Repayment of short term borrowings	(30,871)	(38,158)
	Repayment of loans to other related parties	(7,940)	-
	Payment of leased liability	(3,354)	-
	Net cash (used) in financing activities	**(28,029)**	**(2,246)**
	Net Increase/(Decrease) in Cash & Cash Equivalents	**13,092**	**7,773**
	Net foreign exchange difference on balance with banks in foreign currency	197	(80)
	Net Cash and Cash equivalents at the beginning of the year	35,399	27,706
	Cash and cash equivalents as at year end	**48,688**	**35,399**
	Cash and cash equivalents comprise		
	Cash on hand	37	20
	Cheques / drafts on hand	11	96
	Balance with Banks	48,640	35,283
	Cash and cash equivalents as per Balance Sheet (restated)	**48,688**	**35,399**
	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: Gurugram
Date: June 02, 2020

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: June 02, 2020

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, 2020. 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, BandraKurla 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 167 subsidiaries (including stepdown subsidiaries) and exercises joint control over 6 joint ventures and significant influence over 2associates. 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, 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 31,2020. 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 expenseandcashflows. 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.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the statement of profit and loss.

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 onforeign 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 currenciesare 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 öf 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

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 AS 115 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 anlegally 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 relatingto contracts with customers (a) the remaining amount of consideration that the Group expects to receive in exchange for thegoods or services to which such asset relates; less (b) the costs that relate directly to providing those goods or services and that have not beenrecognised 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 on 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 withthe 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

Pursuant to the notification by the Ministry of Corporate Affairs, The Group adopted IND AS 116 effective from April 1, 2019, prospectively using the modified retrospective method as mandated by Para C5(b) and Para C8(c)(ii) of IND AS 116. Accordingly, the Group has not restated comparative information and there is 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.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment. Refer to the accounting policies in section (n) Impairment of non-financial assets.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.

Lease liabilities, which separately shown in the financial statement are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing (while affecting other comprehensive income) the carrying amount to reflect the lease payments made.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Key assumptions that the Group is applying for implementing the standard are as follows:

Terms: For each contract, the Group reviewed the renewal and the early termination options within the term of the arrangement and determined, after taking into account all the relevant facts and circumstances, what would be the date at which the Group reasonably expects the contract to be terminated. For certain categories of leased assets, (mainly vehicles), the Group assesses that there is no reasonably certain extension option, consequently the duration selected coincides with the first term of the lease contract. For real estate lease arrangements, the Group defines the reasonable end date of the contracts, while taking into account the renewal and early termination options stated in the agreements, in line with the asset's expected period of use.

Discount rates: The Group determined discount rates reflecting each subsidiary's specific credit risk, the currency of the contract and the weighted average maturity of the reimbursement of the lease liability. For the transition the incremental borrowing rate used is the rate applicable to the residual terms of the contracts. For contracts previously classified as finance leases the Group has recognised the carrying amount of the right of use assets and lease liability at the date of initial application.

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 on 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 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 AS 103 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.

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 116

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 116

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.
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 legallyenforceable right must not be contingent on future events and must be enforceable in the normalcourse 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 willflow 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 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.

Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in notes 4.

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 to 13 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.

Changes in Accounting policies

Ind AS 116 Lease

Ind AS 116 supersedes Ind AS 17 Leases including its appendices (Appendix C of Ind AS 17 Determining whether an Arrangement contains a Lease, Appendix A of Ind AS 17 Operating Leases-Incentives and Appendix B of Ind AS 17 Evaluating the Substance of Transactions Involving the Legal Form of a Lease). The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

Lessor accounting under Ind AS 116 is substantially unchanged from Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 does not have an impact for leases where the Group is the lessor.

The Group adopted Ind AS 116 using the modified retrospective method of adoption, with the date of initial application on April 01, 2019. The Group elected to use the transition practical expedient to not reassess whether a contract is, or contains, a lease at April 01, 2019. Instead, the Group applied the standard only to contracts that were previously identified as leases applying Ind AS 17 and Appendix C of Ind AS 17 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option (short-term leases), and lease contracts for which the underlying asset is of low value (low-value assets).

The Group as lessee uses the following practical expedients of IND AS 116 at the date of initial application:

- With leases previously classified as operating leases according to IND AS 17, the lease liability is measured at the present value of the outstanding lease payments, discounted by incremental borrowing rate at April 1, 2019. The respective right -of-use asset is generally recognized at an amount equal to the lease liability.
- An impairment review is not performed. Instead, a right-of-use asset is adjusted by the amount of any provision for onerous leases recognized in the Statement of Financial Position at March 31, 2019.
- Regardless of their original lease term, leases for which the lease term ends at the latest on March 31, 2020 were recognized as short-term leases.
- At the date of initial application, the measurement of a right-of-use asset excludes the initial direct costs.
- Current knowledge is given due consideration when determining the lease term if the contract contains options to extend or terminate the lease.

Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment

The appendix addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of Ind AS 12 Income Taxes. It 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 Appendix 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

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Group applies significant judgement in identifying uncertainties over income tax treatments. Since the Group operates in a complex multinational environment, it assessed whether the Appendix had an impact on its consolidated financial statements.

Upon adoption of the Appendix C to Ind AS 12, the Group considered whether it has any uncertain tax positions, particularly those relating to transfer pricing. The Company's and the subsidiaries' tax filings in different jurisdictions include deductions related to transfer pricing and the taxation authorities may challenge those tax treatments. The Group determined, based on its tax compliance and transfer pricing study that it is probable that its tax treatments (including those for the subsidiaries) will be accepted by the taxation authorities.

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(a) 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, 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 [4]	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	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**	**4**	**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**
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	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**	**3**	**4**	**140,539**
Year ended March 31, 2020																
Gross carrying amount																
As at April 01, 2019	6,604	973	52,519	119,863	7,505	2,720	2,815	419	1,231	2,547	489	1,060	28	4	13	**198,790**
Reclassification on account of Ind AS 116	-	-	-	-	-	-	-	-	-	(2,547)	(489)	(1,060)	(28)	(4)	(13)	**(4,141)**
Additions	332	193	5,002	14,748	1,623	472	461	60	-	-	-	-	-	-	-	**22,891**

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	
Additions on account of business combination [4]	-	-	-	60	10	-	-	10	-	-	-	-	-	-	-	**80**
Disposals	(68)	(23)	(98)	(1,160)	(152)	(58)	(55)	(50)	-	-	-	-	-	-	-	**(1,664)**
Reclassification	-	-	446	82	-	-	-	-	-	-	-	-	-	-	-	**528**
Exchange differences	219	(13)	2,588	5,704	471	127	163	15	91	-	-	-	-	-	-	**9,365**
Other adjustment / transfers [3]	-	-	92	234	-	-	-	-	-	-	-	-	-	-	-	**326**
Closing gross carrying amount	**7,087**	**1,130**	**60,549**	**139,531**	**9,457**	**3,261**	**3,384**	**454**	**1,322**	**-**	**-**	**-**	**-**	**-**	**-**	**226,175**
Accumulated depreciation and impairment																
As at April 01, 2019	-	559	6,630	44,231	3,014	979	1,805	204	86	160	(8)	569	11	1	9	**58,250**
Reclassification on account of Ind AS 116	-	-	-	-	-	-	-	-	-	(160)	8	(569)	(11)	(1)	(9)	**(742)**
Depreciation charge during the year [1&2]	-	163	2,388	15,040	1,223	480	607	77	62	-	-	-	-	-	-	**20,040**
Disposals	-	(22)	(55)	(831)	(150)	(50)	(52)	(42)	-	-	-	-	-	-	-	**(1,202)**
Reclassification	-	-	154	58	-	-	-	-	-	-	-	-	-	-	-	**212**
Exchange differences	-	(20)	252	1,923	139	34	98	9	10	-	-	-	-	-	-	**2,445**
Other adjustment / transfers [3]	-	(11)	13	32	-	-	-	-	-	-	-	-	-	-	-	**34**
Closing accumulated depreciation and impairment	**-**	**669**	**9,382**	**60,453**	**4,226**	**1,443**	**2,458**	**248**	**158**	**-**	**-**	**-**	**-**	**-**	**-**	**79,037**
Net carrying amount	**7,087**	**461**	**51,167**	**79,078**	**5,231**	**1,818**	**926**	**206**	**1,164**	**-**	**-**	**-**	**-**	**-**	**-**	**147,138**

(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 as qualifying assets. Borrowing costs were capitalised at weighted average rate of its general borrowings March 31, 2019 : 3.43%.

(iv) The recorded values of property, plant and equipment as at March 31, 2020 comprises of ₹ 25,039 million in respect of the greenfield locations. These amounts have primarily been allocated to the group's cash generating units ('CGU') that align with the operating segments. Based on the Greenfield's five years forecast, management determined the Value-In-Use ('VIU') of the CGUs and no impairment was deemed necessary as at March 31, 2020. The forecasts include future projected revenues, cost reductions and other capital expenditures, which are based on past experiences and expectations about the future. Estimates relating to the future are inherently uncertain and actuals may differ as a result.

[1] Includes depreciation of ₹ 11 million (March 31, 2019: ₹ 9 million) capitalised during the year on assets used for creation of self generated assets.

[2] The Group has recognised impairment loss amounting to ₹ 437 million. The impairment losses are included under 'Depreciation expense'.

[3] Includes impact of Hyperinflationary adjustment in gross block amounting to ₹ 308 million (March 31, 2019: ₹ 241 million) and accumulated depreciation amounting to ₹ 43 million (March 31, 2019: ₹ 82 million) in respect of one of the step down subsidiary in Argentina. Refer Note 47.

[4] Refer note 50 for additions on account of business combination.

3(b) Right-to-use assets

Particulars	Land	Buildings	Plant & Machinery	Furniture & fixtures	Office equipments	Computers	Vehicles	Total
Year ended March 31, 2020								
Gross carrying amount								
Recognised on April 01, 2019[1]	226	10,498	408	597	261	40	1,128	13,158
Reclassification on account of Ind AS 116	2,387	498	491	17	-	3	4	3,400
Additions	138	1,654	56	417	34	47	423	2,769
Reclassification	-	(446)	(82)	-	-	(6)	-	(534)
Deletion	-	(285)	(27)	-	-	(23)	(335)	
Exchange differences	26	770	58	64	21	4	64	1,007
Closing gross carrying amount	**2,777**	**12,689**	**904**	**1,095**	**316**	**88**	**1,596**	**19,465**
Accumulated depreciation and impairment								
Depreciation charge during the year [2]	259	2,446	299	298	97	41	595	**4,035**
Deletion	-	(1)	(27)	-	-	-	(8)	**(36)**
Exchange differences	6	14	22	16	5	(0)	25	**88**
Reclassification	-	(154)	(58)	(0)	0	(6)	-	**(218)**
Closing accumulated depreciation and impairment	**265**	**2,305**	**236**	**314**	**102**	**35**	**612**	**3,869**
Net carrying amount	**2,512**	**10,384**	**668**	**781**	**214**	**53**	**984**	**15,596**

[1] Right-to-use assets recognised as on April 01, 2019 includes prepaid rent amounting to ₹ 198 million related to asset taken on lease.

[2] The Group has recognised impairment loss amounting to ₹ 200 million. The impairment losses are included under 'Depreciation expense'.

4 Investment property

	March 31, 2020	March 31, 2019
Opening gross carrying amount	**1,516**	**1,465**
Add: Transfers / Additions during the year	-	70
Less: Deletions during the year	7	-
Add / (Less): Exchange differences	43	(19)
Gross Block	**1,552**	**1,516**
Accumulated depreciation:		
Opening balance	**212**	**152**
Add: Depreciation for the year*	137	64
Deletion during the year	(4)	-
Add / (Less): Exchange differences	10	(4)
Closing accumulated depreciation	**355**	**212**
Net Investment Properties	**1,197**	**1,304**

*The Group has conducted an impairment analysis and recognised impairment loss amounting to ₹ 100 million. The impairment losses are included under 'Depreciation expense'.

(i) Amounts recognised in profit or loss for the investment properties

	March 31, 2020	March 31, 2019
Rental Income	106	113
Direct operating expenses arising from property that generated rental income	(39)	(52)
Direct operating expenses arising from property that did not generate rental income	(5)	(1)
Profit from investment properties before depreciation	**62**	**60**
Depreciation	137	64
Loss from investment properties	**(75)**	**(4)**

(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, 2020	March 31, 2019
Within one year	88	90
Later than one year but not later than 5 years	334	356
	422	**446**

(iv) Fair value

	March 31, 2020	March 31, 2019
Investment properties	3,130	2,999

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 and Contracts	Business and commercial rights	Intellectual Property Rights	Software	Total intangible assets other than goodwill	Goodwill[2]
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**

Particulars	Technical Knowhow Fees	Customer Relationships and Contracts	Business and commercial rights	Intellectual Property Rights	Software	Total intangible assets other than goodwill	Goodwill[2]
Year ended March 31, 2020							
Gross carrying amount							
As at April 01, 2019	167	25,329	871	1,094	4,277	**31,738**	22,121
Additions	141	36	-	-	762	**939**	-
Additions on account of business combination [1]	-	607	-	-	2	**609**	291
Disposals	-	-	-	-	(54)	**(54)**	-
Exchange difference	20	1,951	13	18	294	**2,296**	1,651
Other adjustment	-	1,014	-	(1,014)	-	**-**	-
Closing gross carrying amount	**328**	**28,937**	**884**	**98**	**5,281**	**35,528**	**24,063**
Accumulated amortisation and impairment							
As at April 01, 2019	72	8,355	368	133	2,544	**11,472**	3
Amortisation charge during the year	61	2,657	92	1	768	**3,579**	-
Disposals	-	-	-	-	(53)	**(53)**	-
Exchange differences	9	795	(4)	4	216	**1,020**	-
Other adjustment	-	84	-	(84)	-	**-**	-
Closing accumulated amortisation and impairment	**142**	**11,891**	**456**	**54**	**3,475**	**16,018**	**3**
Net carrying amount	**186**	**17,046**	**428**	**44**	**1,806**	**19,510**	**24,060**

[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, 2020	March 31, 2019
SMR	577	537
SMP	3,361	3,129
PKC	19,964	18,306
Others	158	146
Total	**24,060**	**22,118**

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, 2020	March 31, 2019
Investment in equity instruments		
Equity instruments at FVOCI		
Quoted:		
Ssangyong Motor Corporation	2	6
18,040 (March 31, 2019 : 18,040) equity shares of EUR 3.394 each fully paid up		
Unquoted:		
Motherson Sumi Infotech & Designs Limited	185	185
1,200,000 (March 31, 2019: 1,200,000) equity shares of ₹ 10 each fully paid up		
Echanda Urja Private Limited	1	1
120,645 (March 31, 2019: 120,645) equity shares of ₹ 10 each fully paid-up		
Tulsyan NEC Limited	-	2
Nil (March 31, 2019: 63,750) equity shares of ₹ 30 each fully paid-up		
N H 2 Limited	-	419
7,918,702 (March 31, 2019: 7,918,702) units of GBP 0.1 each (net of impairment provision)		
Wisetime Oy	-	52
Nil (March 31, 2019: 19) shares (Refer Note 50)		
Purpurin Grundstücksverwaltungsgesellschaft GmbH & Co. Vermietungs KG	0	0
94 (March 31, 2019: 94) equity shares of EUR 51.129 each fully paid up		
Mytrah Vayu (Manjira) Private Limited	-	0
Nil (March 31, 2019: 40,000) equity shares of ₹ 10 each fully paid up		
OSSIA Inc.	972	905
714,976 (March 31, 2019: 714,976) Series D Preferred Stock		
Quanergy Systems Inc.	426	792
171,528 (March 31, 2019: 171,528) Series B Preferred Stock (net of impairment provision)		
Investment in preference shares at FVOCI		
Unquoted:		
Comunidad de Vertidos, "Les Carrases"	5	5
9.98% preference share of EUR 61,334 (March 31, 2019 : EUR 61,334) fully paid up		
Investment in bonds and promissory notes at FVTPL		
Unquoted:		
Naya Health	-	-
1% Convertible Promissory Note		

	March 31, 2020	March 31, 2019
OSSIA Inc.	19	18
1 Convertible Promissory Note of USD 250,000		
Others at FVOCI		
Investment in antique arts (unquoted)	4	4
Total non current investments	**1,614**	**2,389**
Aggregate amount of quoted investments and market value thereof	2	6
Aggregate amount of unquoted investments	1,612	2,383
Aggregate amount of impairment in the value of investments	828	-

6 (b) Current Investments

	March 31, 2020	March 31, 2019
Investment in equity instruments at FVOCI		
Quoted:		
HDFC Bank Limited	4	5
4,070 (March 31, 2019: 2,035) equity shares of ₹ 2 each fully paid up		
Balrampur Chini Mills Limited	0	0
1,200 (March 31, 2019: 1,200) equity shares of ₹ 1 each fully paid up		
Jaysynth Dyestuff (India) Limited	0	0
100 (March 31, 2019: 100) equity shares of ₹ 10 each fully paid up		
Meyer Apparel Limited	0	0
28,475 (March 31, 2019: 28,475) equity shares of ₹ 3 each fully paid up		
Mahindra & Mahindra Limited	2	5
7,288 (March 31, 2019: 7,288) equity shares of ₹ 5 each fully paid up		
Arcotech Limited	0	0
1,000 (March 31, 2019: 1,000) equity shares of ₹ 2 each fully paid up		
Unquoted:		
Pearl Engineering Polymers Limited	-	-
3,160 (March 31, 2019: 3,160) equity shares of ₹ 10 each fully paid up		
Daewoo Motors Limited	-	-
6,150 (March 31, 2019: 6,150) equity shares of ₹ 10 each fully paid up		
Athena Financial Services Limited	-	-
66 (March 31, 2019: 66) equity shares of ₹ 10 each fully paid up		
Inox Leasing & Finance Limited	-	-
100 (March 31, 2019: 100) equity shares of ₹ 10 each fully paid up		
Total current investments	6	10
Aggregate amount of quoted investments and market value thereof	6	10
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

7 Loans

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Loans to related parties (Refer note 40 & 51)	222	125	34	-
Loans to employees and others	91	52	183	58
Total	**313**	**177**	**217**	**58**

8 Trade Receivables

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Other trade receivables	50,754	13,998	60,729	11,629
Trade receivables from related parties (Refer note 40)	1,030	-	934	-
Unsecured, credit impaired				
Other trade receivables	965	-	916	-
	52,749	**13,998**	**62,579**	**11,629**
Less: Allowances for credit loss	965	-	916	-
Total	**51,784**	**13,998**	**61,663**	**11,629**

Note 1: The Group has derecognised trade receivables amounting to ₹ 42,813 million (March 31, 2019: ₹ 47,288 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, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Security deposits to related parties (Refer note 40)	338	142	504	5
Security deposits to others	569	378	456	487
	907	**520**	**960**	**492**
Derivatives designated as hedge (Refer note 37)	262	611	590	162
Derivatives not designated as hedge	87	-	10	-
Interest receivable	7	-	33	0
Unbilled Revenue (Refer Note 45)	28,402	70	39,581	-
Deposits with original maturity for more than 12 months	-	27	-	26
Others	1,217	-	993	-
Total	**30,882**	**1,228**	**42,167**	**680**

10 (a) Deferred tax assets (net)

	March 31, 2020	March 31, 2019
Deferred tax assets		
Unabsorbed depreciation and Tax losses	1,963	3,064
Property, plant and equipments, investment property and intangible assets	479	528
Employee benefits	640	550
Provision for Doubtful debts/Advances/Inventory	1,355	1,400
Others	593	581
Total	**5,030**	**6,123**

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, 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**
(Charged) / credited:						
to profit or loss	2	(154)	(151)	26	(282)	(559)
to other comprehensive income	-	-	64	-	354	418
Exchange translation & reclassification adjustments*	(1,103)	105	177	(71)	(60)	(952)
As at March 31, 2020	**1,963**	**479**	**640**	**1,355**	**593**	**5,030**

10 (b) Deferred tax liabilities (net)

	March 31, 2020	March 31, 2019
Deferred tax liabilities		
Property, Plant and equipment, investment property and intangible assets	3,317	3,270
Others	1,310	2,492
Total	**4,627**	**5,762**

Movement in Deferred tax liabilities

	Property, Plant and equipment, investment property and intangible assets	Others	Total
As at April 01, 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**
(Charged) / credited:			
to profit or loss	(82)	(1,336)	(1,418)
Acquisition due to business combination	(122)	-	(122)
Exchange translation & reclassification adjustments*	251	154	405
As at March 31, 2020	**3,317**	**1,310**	**4,627**

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, 2020	March 31, 2019
Capital advances	997	645
Advances recoverable	28	60
Unamortised expenditure	8,819	6,889
Prepaid expenses	133	203
Balances with government authorities	1,924	1,173
Others	264	383
Total	**12,165**	**9,353**

12. Inventories

	March 31, 2020	March 31, 2019
Raw materials	31,365	27,545
Work-in-progress	7,390	7,252
Finished goods	9,496	8,736
Stock-in-trade	295	324
Stores and spares	3,020	2,777
Total	**51,566**	**46,634**
Inventory include inventory in transit of:		
Raw materials	1,918	2,126
Finished goods	557	605

Amount recognised in profit or loss:

During the year ended March 31, 2020, 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 ₹ 271 million (March 31, 2019: ₹ 305 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, 2020	March 31, 2019
Balances with banks:		
- in current accounts	47,554	34,230
- Deposits with original maturity of less than three months	1,086	1,053
Funds in transit & cheques and drafts on hand	11	96
Cash on hand	37	20
Total	**48,688**	**35,399**

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 44

Changes in liabilities arising from financing activities

	March 31, 2019	Cash Flow	Non cash items	March 31, 2020
Long term borrowings*	86,616	(9,212)	6,218	83,622
Short term borrowings	28,433	2,998	2,648	34,079
Total liabilities from financing activities	**115,049**	**(6,214)**	**8,866**	**117,701**

Borrowings as on March 31, 2019, excludes finance lease liabilities, which is classified as lease liabilities on transition to Ind AS 116 effective from April 01, 2019

13. (b) Other bank balances

	March 31, 2020	March 31, 2019
Deposits with remaining maturity of more than three months but less than 12 months	40	26
Unpaid dividend account	61	44
Total	**101**	**70**

Unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend.

14. Other current Assets

	March 31, 2020	March 31, 2019
Advances recoverable	3,637	4,481
Unamortised expenditure	486	365
Prepaid expenses	2,202	1,966
Balances with government authorities	4,759	6,228
Others	230	296
Total	**11,314**	**13,336**

15. Share Capital

	March 31, 2020	March 31, 2019
Authorised:		
6,050,000,000 (March 31, 2019 : 6,050,000,000) Equity shares of ₹ 1 each)	6,050	6,050
25,000,000 (March 31, 2019 : 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, 2019 : 3,157,934,237 [1]) Equity Shares of ₹ 1 each	3,158	3,158

a. Movement in equity share capital

Equity Shares:

	Numbers	Amount
As at April 01, 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**
Add: Changes during the year	-	-
As at March 31, 2020	**3,157,934,237**	**3,158**

[1] During the year ended March 31, 2019, the Company allotted 1,052,644,746 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, 2020)

	Aggregate No of Shares issued in five years	March 31, 2020	March 31, 2019	March 31, 2018	March 31, 2017	March 31, 2016
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, 2020		March 31, 2019	
	Nos.	%	Nos.	%
Equity shares:				
Samvardhana Motherson International Limited	1,055,750,653	33.43%	1,055,750,653	33.43%
Sumitomo Wiring Systems Limited	792,637,291	25.10%	792,637,291	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, 2020	March 31, 2019
Capital reserve on consolidation	1,920	1,749
Securities premium	26,303	26,303
Reserve on amalgamation	1,663	1,663
General Reserve	3,430	3,430
Retained earning	70,642	69,792
Total reserves and surplus	**103,958**	**102,937**

Capital reserve on consolidation

	March 31, 2020	March 31, 2019
Opening balance	1,749	1,255
Addition on account of business combination (Refer Note 50)	171	494
Closing balance	**1,920**	**1,749**

Securities premium

	March 31, 2020	March 31, 2019
Opening Balance	26,303	27,356
Bonus Issue	-	(1,053)
Closing balance	**26,303**	**26,303**

Reserve on amalgamation

	March 31, 2020	March 31, 2019
Opening balance	1,663	1,663
Closing balance	**1,663**	**1,663**

General reserve

	March 31, 2020	March 31, 2019
Opening balance	3,430	3,430
Closing balance	**3,430**	**3,430**

Retained earnings

	March 31, 2020	March 31, 2019
Opening balance	69,792	59,338
Additions during the year	11,701	16,131
Remeasurements of post-employment benefit obligation, net of tax	(151)	(192)
Share of OCI of associates and joint ventures, net of tax	(5)	0
Dividend paid (Refer note 39)	(9,474)	(4,737)
Tax on dividend (Refer note 39)	(1,370)	(842)
Hyperinflation adjustment (Refer note 47)	149	94
Closing balance	**70,642**	**69,792**

During the year ended March 31, 2020, the Company has paid final cash dividend for the year ended on March 31, 2019: ₹ 1.5 (March 31, 2019: ₹ 2.25) per share and Interim dividend for the year ended on March 31, 2020: ₹ 1.5 (March 31, 2019: Nil) per share to its shareholders. 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, 2018	4,832	(1,244)	106	**3,694**
Currency translation difference	(1,122)	-	-	**(1,122)**
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	**3,710**	**(291)**	**114**	**3,532**
Currency translation difference	4,343	-	-	**4,343**
Change in fair value of hedging instruments (net of tax)	-	(1,963)	-	**(1,963)**
Change in fair value of FVOCI equity instruments (net of tax)	-	-	(420)	**(420)**
As at March 31, 2020	**8,053**	**(2,254)**	**(306)**	**5,493**

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 Group 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, 2020	March 31, 2019
Secured*:			
i)	3.7% Senior Secured Notes Due 2025 (EUR 100 million (March 31, 2019 : EUR 100 million))	8,226	7,638
ii)	$4^7/_8$% Senior Secured Notes Due 2021 (USD 400 million (March 31, 2019 : USD 400 million))	30,123	27,511
iii)	1.8% Senior Secured Notes Due 2024 (EUR 300 million (March 31, 2019 : EUR 300 million))	24,593	22,794
iv)	Term loans:		
	From Banks:		
	- Rupee Loan	5,750	5,797
	- Foreign currency loan	10,890	15,514
	From others		
	- Indian rupee loan	0	18
	- Foreign Currency Loan	13	22
v)	Finance lease liabilities (Refer note 46)	-	286
		79,595	**79,580**
Unsecured:			
i)	Term loan:		
	From Banks:		
	- foreign currency loan	1,333	1,071
	From others		
	- Indian rupee loan	126	63
	- Foreign currency loan	443	486

		March 31, 2020	March 31, 2019
ii)	Finance lease liabilities (Refer note 46)	-	7
iii)	Deposits from related parties		
	- Foreign currency loan - from related parties (Refer note 40)	2,125	5,701
	- Indian rupee loan - from related parties (Refer note 40)	-	1
		4,027	**7,329**
	Total	**83,622**	**86,909**
	Less : Amounts disclosed under the head "other current financial liabilities" (Refer Note 18)		
	Current maturities of long-term debt	1,010	5,797
	Current maturities of finance lease obligations	-	117
		82,612	**80,995**

17 (b) Current borrowings

		March 31, 2020	March 31, 2019
Secured#:			
i)	Loans repayable on demand from banks		
	- Rupee Loan [1]	2,279	372
	- Foreign Currency Loan [2]	11,263	13,319
		13,542	**13,691**
Unsecured:			
i)	Loans repayable on demand from banks		
	- Foreign Currency Loan	959	1,569
ii)	Other short term loans from banks		
	- Foreign Currency Loan	15,995	8,131
iii)	Other short term loans - (Other than banks)		
	- Foreign Currency Loan	3,583	5,042
		20,537	**14,742**
		34,079	**28,433**

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 ₹ 8,226 million (March 31, 2019: ₹ 7,638 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 ₹ 30,123 million (March 31, 2019: ₹ 27,511 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 ₹ 24,593 million (March 31, 2019: ₹ 22,794 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, 2019: ₹ 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 Nil million(March 31, 2019: ₹ 47 million) secured against all assets of SMRC Automotive Products India Private Limited	Fully repaid during 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 ₹ 6 million (March 31, 2019: ₹ 12 million) secured by General Notarial Bond on assets of Vacuform 2000 Pty Ltd.	1) Nil (March 31, 2019: ₹ 1 million) fully repaid during financial year 2019-20. 2) ₹ 6 million (March 31, 2019: ₹ 11 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%
ii	Loan amounting to ₹ 74 million(March 31, 2019: ₹ 157 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"%
iii	Loan amounting to ₹ 23 million(March 31, 2019: ₹ 22 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%
iv	Loan amounting to Nil (March 31, 2019: ₹ 2 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.	Fully repaid during financial year 2019-20 The applicable rate of interest waas Euribor + 0.975%
v	Loan amounting to ₹ 167 million (March 31, 2019: ₹ 155 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%
vi	Loan amounting to ₹ 0 million (March 31, 2019: ₹ 2 million) secured against vehicle of Vacuform 2000 (Proprietary) Limited.	Repayable in 60 instalments from November 01, 2015. The applicable rate of interest in respect of this loan is 10%
vii	₹ 6,039 million (March 31, 2019 : ₹ 5,524 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.
viii	Nil (March 31, 2019 : ₹ 5,430 million) secured by creating a pledge on Investment in shares of one of the subsidiary, MSSL (GB) Ltd on pari passu basis.	Fully paid in March 2020. The applicable rate of interest in respect of this loan was 3 months Euribor + 39 basis points.
ix	₹ 90 million (March 31, 2019 : ₹ 122 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%
x	Nil (March 31, 2019 : ₹ 2 million) secured against the plant & machinery	Fully repaid during financial year 2019-20. The applicable rate of interest in respect of this loans was 5%
xi	₹ 4,488 million (March 31, 2019 : ₹ 4,086 million). 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%

	Nature of Security	Terms of Repayment
xii	₹ 2 million (March 31, 2019: Nil). Facility is secured against the vehicle for which the loan is availed.	Repayable in monthly instalments till December 2023. The applicable rate of interest in respect of this loan is prime lending rate applicable in South Africa, which is 8.75%.
Long term Indian Rupee Loans from Other than Banks include:		
i.	Indian Rupee loan amounting to ₹ 0 million (March 31, 2019: ₹ 18 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 1 monthly instalments till April 2020 carrying Interest rate of 10.2% p.a.
Long term Foreign Currency Loans from Other than Banks include:		
i.	₹ 10 million (March 31, 2019 : ₹ 14 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.	₹ 3 million (March 31, 2019 : ₹ 8 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%

(b) Terms of repayment for unsecured borrowings:

		Terms of Repayment
Unsecured Foreign Currency Term Loans from Banks -		
i.	Loan amounting to ₹ 619 million (March 31, 2019: ₹ 436 million).	Repayable by October 2020. The applicable rate of interest is 5%
ii.	Loan amounting to ₹ 7 million (March 31, 2019: ₹ 14 million).	Repayable in remaining 12 equal monthly instalments until March 2021.
iii.	Loan amounting to Nil (March 31, 2019: ₹ 2 million)	Applicable interest rate of 4.74%, fully repaid in April, 2019.
iv.	Loan amounting to 22 million (March 31, 2019: ₹ 42 million).	Repayable in 12 equal monthly instalments until March 2021.
v.	₹ 327 million (March 31, 2019 : ₹ 360 million)	Repayable as quarterly instalments upto July 2025. The applicable rate of interest in respect of this loans is 0.75%
vi.	Loan amounting to ₹ 346 million (March 31, 2019: ₹ 218 million).	Repayable in 15 equal quarterly instalments commencing from April 2020 upto November 2023. The applicable rate of interest is BIBOR + 1.45% p.a
vii.	Loan amounting to ₹ 12 million (March 31, 2019: Nil).	Repayable in monthly instalments upto January 2023. The applicable rate of interest is 2.2%
	Unsecured Indian Rupee Loan from Other than Banks -	Interest free loan of ₹ 126 million (March 31, 2019 : ₹ 63 million) repayable in 3 tranches in November 2022, March 2023 and December 2026 against each disbursements. Bank guarantee is furnished by the Company.

		Terms of Repayment
	Unsecured Foreign Currency Loan from Other than Banks -	Loan amounting to ₹ 53 million (March 31, 2019: ₹ 55 million) with no fixed repayments terms carrying Prime rate interest applicable in South Africa, which is 8.75%.
		Loan amounting to ₹ 2 million (March 31, 2019: ₹ 2 million) interest free with no fixed repayments terms.
		Loan amounting to ₹ 39 million (March 31, 2019: ₹ 44 million) repayable in half yearly instalments until March 2024.
		Loan amounting to ₹ 40 million (March 31, 2019: ₹ 42 million) repayable in 10 yearly instalments commencing from 2074.
		Loan amounting to ₹ 5 million (March 31, 2019: ₹ 20 million) repayable in financial year 2020-21 carrying interest rate of 5%
		Loan amounting to ₹ 5 million (March 31, 2019: ₹ 4 million) fully repayabe in financial year 2020-21 carrying interest rate of 5%
		Loan amounting to ₹ 30 million (March 31, 2019: ₹ 27 million) repayable in yearly instalments upto February 2026 carrying interest rate of 5%
		Loan amounting to ₹ 2 million (March 31, 2019: ₹ 7 million) fully repayable during financial year 2020-21 carrying interest rate of 5%
		Loan amounting to ₹ 12 million (March 31, 2019: Nil) to be repaid by September 2023 carrying interest rate of 5%
		Loan amounting to ₹ 86 million (March 31, 2019: ₹ 92 million). Interest free loan to be repaid yearly upto July 2026.
		Loan amounting to ₹ 45 million (March 31, 2019: ₹ 56 million) carrying interest rate of 3.95% to be repaid yearly upto November 2022.
		Loan amounting to ₹ 125 million (March 31, 2019: ₹ 136 million). Interest free loan to be repaid in yearly instalments until 2025.
	Unsecured Foreign Currency Loans from Related Parties -	Loan amounting to ₹ 2,125 million (March 31, 2019: ₹ 5,701 million) repayable in December 2026.
	Unsecured Indian Rupee Loans from Related Parties -	Loan amounting to Nil (March 31, 2019: ₹ 1 million) fully repaid during financial year 2019-20

Current borrowings:

Nature of Security for secured borrowings:

1 ₹ 2,279 million (March 31, 2019: ₹ 1 million) repayable on demand, secured by first pari passu charge on entire current assets of the Company including receivables, both present and future and second pari passu charge over the fixed assets of the Company including equitable mortgage of specified properties.

Nil (March 31, 2019: ₹ 370 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 of SMR Automotive Systems India Limited.

2 ₹ 997 million (March 31, 2019: ₹ 968 million) secured by charge on the inventory and receivables of MSSL Wiring System Inc.

₹ 227 million (March 31, 2019: ₹ 1,106 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.

₹ 10,015 million (March 31, 2019: 10,469 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.

Nil (March 31, 2019: ₹ 776 million) is secured against pledge on the share of SMP Automotive Technology Iberica S.L.U.

₹ 25 million (March 31, 2019: Nil) is secured against land & building of SMR Automotive (Langfang) Co. Limited

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, 2020	March 31, 2019
Non-current		
- Retention Money	77	34
- Security Deposit Received (Refer Note 40)	204	211
- Recovery against Vehicle Loan	106	89
- Derivatives designated as hedges (Refer Note 37)	-	421
- Amounts payable to obtain contracts	385	346
- Accrued expenses	3,022	3,587
Total	**3,794**	**4,688**

	March 31, 2020	March 31, 2019
Current		
- Current maturities of long term debt (Refer Note 17 (a))	1,010	5,797
- Current maturities of finance lease obligations (Refer Note 17 (a) & 46)	-	117
- Interest accrued but not due on borrowings	1,288	969
- Unpaid dividends[1]	61	629
- Employee benefits payable	12,602	11,257
- Security deposit received	5	4
- Payables relating purchase of fixed assets	3,354	3,726
- Derivatives designated as hedges (Refer Note 37)	3,365	665
- Derivatives not designated as hedges	82	0
- Advance recovery from employee	55	101
- Amounts payable to obtain contracts	4,402	3,619
- Accrued expenses	3,194	2,124
- Others	3,664	3,620
Total	**33,082**	**32,628**

[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, 2020	March 31, 2019
Total outstanding dues of creditors other than related parties	99,465	103,720
Trade payable to related parties (Refer note 40)	3,626	2,893
Total	**103,091**	**106,613**

20 Provisions

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
For warranties	1,251	182	1,089	303
For litigation, disputes and other contingencies	801	571	490	583
Total	**2,052**	**753**	**1,579**	**886**

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 Group 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		Litigation, disputes and other contingencies	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Opening Balance	1,392	1,448	1,073	175
Additions during the year	407	235	543	753
Addition on account of business combination (Refer Note 50)	-	189	2	696
Utilised / reversed during the year	(431)	(455)	(278)	(581)
Exchange translation adjustment	65	(25)	34	30
Closing Balance	**1,433**	**1,392**	**1,374**	**1,073**

21 Employee benefit obligations

	March 31, 2020		March 31, 2019	
	Current	Non-current	Current	Non-current
Gratuity and pensions	530	3,061	304	2,838
Compensated absences	1,668	591	1,633	518
Longevity / jubilee bonus	-	239	-	199
Restructuring / Severance costs	25	82	242	171
Others	60	828	91	739
Total	**2,283**	**4,801**	**2,270**	**4,465**

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, 2020	March 31, 2019
Obligations at year beginning	6,039	3,421
Current service cost	574	492
Interest expense	224	196
(Gains) and losses on curtailment and settlement	(11)	10
Amount recognised in profit or loss	**787**	**698**
Remeasurements		
Actuarial (gain) / loss from change in demographic assumption	10	(5)
Actuarial (gain) / loss from change in financial assumption	268	111
Experience (gains)/losses	(91)	160
Amount recognised in other comprehensive income	**187**	**266**
Effect of Exchange rate change	231	90
Payment from plan:		
Benefit payments	(308)	(255)
Contributions:		
Employers	(89)	(36)
Addition on account of business combination	-	1,859
Addition due to transfer of employee	(7)	(4)
Obligations at year end	**6,840**	**6,039**

(ii) Fair Value of Plan Assets

	For the year ended	
	March 31, 2020	March 31, 2019
Plan assets at year beginning, at fair value	2,897	1,910
Interest income	126	116
Amount recognised in profit or loss	**126**	**116**
Remeasurements		
Actuarial gain / (loss) from change in financial assumption	(4)	(4)
Return on plan assets, excluding amount included in interest income	(4)	(10)
Experience (gains)/losses	5	(9)
Amount recognised in other comprehensive income	**(3)**	**(23)**

	For the year ended	
	March 31, 2020	March 31, 2019
Effect of Exchange rate change	33	3
Payment from plan:		
Benefit payments	(141)	(103)
Settlements	-	(45)
Contributions:		
Employers	337	441
Addition on account of business combination	-	598
Plan assets at year end, at fair value	**3,249**	**2,897**

(iii) Assets and Liabilities recognized in the Balance Sheet

	For the year ended	
	March 31, 2020	March 31, 2019
Present Value of the defined benefit obligations	6,840	6,039
Fair value of the plan assets	3,249	2,897
Amount recognized as Liability	**3,591**	**3,142**

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, 2020	March 31, 2019
Current service cost	574	492
Interest Cost	224	196
Interest income	(126)	(116)
(Gains) and losses on curtailment and settlement	(11)	10
Actuarial (gain) / loss	190	290
Net defined benefit obligations cost	**851**	**872**

(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 multiple financial institutions 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, 2020	March 31, 2019
LIC	997	1,309
Deposits with financial institution	2,252	1,588
Total	**3,249**	**2,897**

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, 2020		March 31, 2019	
	Indian Entities	Outside India Entities	Indian Entities	Outside India Entities
Discount Rate per annum	6.60%	1.70%- 8.90%	7.40%	1.70%- 8.90%
Future salary increases	8.00%	1% - 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, 2020	March 31, 2019
Gratuity	515	305

(viii) The following table shows breakdown of the defined benefit obligation and plan assets by country:

Plan Type	March 31, 2020			March 31, 2019		
	India	Outside India	Total	India	Outside India	Total
Present value of obligation	2,125	4,715	**6,840**	1,697	4,342	**6,039**
Fair value of plan asset	1,492	1,757	**3,249**	1,309	1,588	**2,897**
Net liability	**633**	**2,958**	**3,591**	**388**	**2,754**	**3,142**

(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, 2020	March 31, 2019		March 31, 2020	March 31, 2019		March 31, 2020	March 31, 2019
Discount Rate per annum	0.50%	0.50%	Decrease by	(79)	(64)	Increase by	85	69
Future salary increases	0.50%-1%	0.50%-1%	Increase by	176	145	Decrease by	(155)	(129)
Pension rate per annum	0.50%	0.50%	Increase by	9	11	Decrease by	(14)	(14)
Life expectancy	1 year	1 year	Increase by	(3)	6	Decrease by	3	(6)

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 multiple financial institutions 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, 2019: 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, 2020					
Defined benefit obligation (pension & gratuity)	280	254	1,044	3,722	5,300
March 31, 2019					
Defined benefit obligation (pension & gratuity)	200	320	1,259	2,620	4,399

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 ₹ 14,475 million (March 31, 2019 : ₹ 13,650 million).

22 Government grants

	March 31, 2020	March 31, 2019
Opening balance	2,428	2,044
Grants received during the year	1,466	1,432
Released to profit or loss (Refer note 26)	(1,210)	(809)
Exchange differences	106	(239)
Closing balance	**2,790**	**2,428**

	March 31, 2020	March 31, 2019
Current portion	357	472
Non-current portion	2,433	1,956
Total	**2,790**	**2,428**

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, 2020	March 31, 2019
Non-Current tax assets (net)	3,732	2,524
Current tax liabilities (net)	3,623	4,148
Net tax liabilities / (Assets)	**(109)**	**1,624**

24 (a) Other non-current liabilities

	March 31, 2020	March 31, 2019
Advance from Customers (Refer Note 45)	21	87
Unearned Revenue (Refer Note 45)	1,418	326
Others	232	807
Total	**1,671**	**1,220**

24 (b) Other current liabilities

	March 31, 2020	March 31, 2019
Other current liabilities		
- Unearned Revenue (Refer Note 45)	1,173	1,326
- Statutory dues payable	6,400	6,881
- Advances received from customers (Refer Note 45)	2,730	1,618
- Other payables	3,475	2,938
Total	**13,778**	**12,763**

25 (a) Revenue from contract with customers

	For the year ended	
	March 31, 2020	March 31, 2019
Sales of products		
Finished goods		
Within India	64,895	72,942
Outside India	551,411	547,680
Traded goods	9,425	5,094
Total gross sales	**625,731**	**625,716**
Sales of services	4,974	5,859
Total revenue from contract with customers (Refer Note 45)	**630,705**	**631,575**

25 (b) Other operating revenue:

	For the year ended	
	March 31, 2020	March 31, 2019
Scrap sales	496	797
Recovery from customers	1,625	1,370
Export incentives	191	194
Liabilities written back to the extent no longer required	492	130
Miscellaneous income	1,859	1,163
Total	**4,663**	**3,654**

26 Other income

	For the year ended	
	March 31, 2020	March 31, 2019
Interest income	361	354
Dividend income from equity investments designated at fair value through OCI	6	8
Profit on sales of fixed assets	41	96
Rent income (Refer Note 4)	179	196
Government grants & subsidies (Refer Note 22)	1,210	809
Foreign exchange gain (net)	510	490
Miscellaneous income	0	249
Total	**2,307**	**2,202**

27 Cost of materials consumed

	For the year ended	
	March 31, 2020	March 31, 2019
Opening stock of raw materials	25,420	22,499
Addition on account of business combination (Refer note 50)	369	741
Add : Purchases of raw materials	356,935	365,988
Less: Closing stock of raw materials	29,447	25,420
Add: Exchange adjustment:		
Exchange differences opening stock (gain)/loss	390	207
Exchange differences closing stock (loss)/gain	1,803	(321)
Total	**355,470**	**363,694**

28 Changes in inventory of finished goods, work in progress and stock in trade

	For the year ended	
	March 31, 2020	March 31, 2019
(Increase)/ decrease in stocks		
Stock at the opening of the year:		
Finished goods	8,736	7,796
Work-in-progress	7,252	5,931
Stock in trade	324	128
Total A	**16,312**	**13,855**
Add: Addition on account of business combination (Refer note 50)		
Finished goods	7	686
Work-in-progress	194	250
Total B	**201**	**936**

	For the year ended	
	March 31, 2020	March 31, 2019
Stock at the end of the year:		
Finished goods	9,496	8,736
Work-in-progress	7,390	7,252
Stock in trade	295	324
Total C	**17,181**	**16,312**
Exchange adjustment:		
Exchange differences opening stock (gain)/loss	202	149
Exchange differences closing stock (loss)/gain	611	(279)
Total D	**813**	**(130)**
(Increase)/ decrease in stocks (A+B-C+D)	**145**	**(1,651)**

29 Employee benefit expense

	For the year ended	
	March 31, 2020	March 31, 2019
Salary, wages & bonus	129,108	120,646
Contribution to provident, superannuation & other fund	14,475	13,650
Gratuity & pension (Refer note 21)	661	582
Staff welfare expenses	6,304	6,318
Restructuring/ severance costs	221	498
Total	**150,769**	**141,694**

30 Other expenses

	For the year ended	
	March 31, 2020	March 31, 2019
Electricity, water and fuel	10,107	9,763
Repairs and Maintenance:		
Machinery	7,565	8,223
Building	2,001	1,622
Others	2,191	2,355
Consumption of stores and spare parts	2,966	2,921
Conversion charges	721	2,471
Lease rent (Refer note 46)	3,113	7,353
Rates & taxes	1,321	1,178
Insurance	1,448	1,170
Donation	94	50
Travelling	3,517	4,100

	For the year ended	
	March 31, 2020	March 31, 2019
Freight & forwarding	8,051	8,149
Royalty	317	91
Commission	55	59
Bad debts/advances written off	67	103
Provision for doubtful debts/advances	42	20
Legal & professional expenses (Refer note (a) below)	7,132	5,500
Miscellaneous expenses	19,163	17,540
Total	**69,871**	**72,668**

(a): Payment to Group Auditors:

	March 31, 2020	March 31, 2019
As Auditor:		
Audit fees (including limited review)	144	103
Other services	2	41
Reimbursement of expenses	8	6
Total	**154**	**150**

31 Finance costs

	For the year ended	
	March 31, 2020	March 31, 2019
Interest on long term borrowings	3,287	2,594
Interest on lease liabilities (Refer Note 46)	743	-
Commitment charges on borrowings	137	107
Other finance costs [1]	1,819	1,531
Total	**5,986**	**4,232**

[1] Includes foreign exchange loss/(gain) on long term loan facilities.

32 Depreciation and amortization expense

	For the year ended	
	March 31, 2020	March 31, 2019
Depreciation on Property, plant and equipment[2]	20,040	17,073
Depreciation of right to use assets[2]	4,035	-
Amortization on Intangible assets	3,579	3,454
Depreciation on Investment Property[2]	137	64
Less: Capitalised during the year [1]	(11)	(9)
Total	**27,780**	**20,582**

[1] Depreciation on assets used for creation of self generated assets. (Refer Note 3)

[2] Depreciation includes impairment of property, plant and equipments, right-to-use assets and investment properties (Refer Note 3 & 4)

33 Income tax expense

(a) Income tax expense

	For the year ended	
	March 31, 2020	March 31, 2019
Current tax		
Current income tax charged	9,382	11,827
Adjustments for current tax of prior years	(339)	33
Total current tax expense	**9,043**	**11,860**
Deferred tax (Refer note 10)		
Decrease / (increase) in deferred tax assets	559	(342)
(Decrease) / increase in deferred tax liabilities	(1,418)	(496)
Total deferred tax expense / (benefit)	**(859)**	**(838)**
Income tax expense	**8,184**	**11,022**

The Company elected to exercise the option permitted under Section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. The provision for taxation and deferred tax assets / liabilities has been re-measured basis the rates prescribed in the said Section. For certain other subsidiaries and joint venture entities incorporated in India, income tax is calculated at existing applicable tax rate.

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

	For the year ended	
	March 31, 2020	March 31, 2019
Profit before income tax expense	21,129	32,003
Tax at India's tax rate of 25.168% (March 2019: 34.944%)	**5,318**	**11,183**
Tax effect of amounts which are not deductible in calculating taxable income (net off exempt income)	957	(36)
Withholding Taxes	288	176
Utilisation of previously unrecognised tax losses	(2,138)	(1,058)
Adjustments for current tax of prior periods	(339)	33
Tax effect of losses on which deferred tax assets not recognised	3,117	1,177
Difference in overseas tax rates	350	(731)
Other adjustments	631	278
Income tax expense	**8,184**	**11,022**

Tax is calculated at domestic tax rates applicable in the respective countries. The weighted average applicable tax rate was 25% for the year ended March 31, 2020 (March 31, 2019: 34%). 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 ₹ 44,486 million (March 31,2019: ₹ 45,319 million) that can be carried forward against future taxable income. These losses can be carried-forward as below:

	March 31, 2020	March 31, 2019
Losses without expiration date	39,608	33,636
Losses with expiration date	4,878	11,683
	44,486	**45,319**

(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 ₹ 25,609 million (March 31, 2019: ₹ 59,973 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.

34 Earnings per share

		March 31, 2020	March 31, 2019
a)	**Basic**		
	Net profit after tax available for equity Shareholders of parent entity	11,701	16,131
	Equity shares outstanding at the beginning of the year	3,157,934,237	2,105,289,491
	Add: Bonus shares issued by capitalisation of securities premium	-	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, 2019: ₹ 1 each)	**3.71**	**5.11**
b)	**Diluted**		
	Net profit after tax available for equity Shareholders of parent entity	11,701	16,131
	Weighted average number of Equity Shares of ₹ 1 each (March 31, 2019 : ₹ 1 each)	3,157,934,237	3,157,934,237
	Diluted earnings (in ₹) per share of ₹ 1 each (March 31, 2019: ₹ 1 each)	**3.71**	**5.11**

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 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, 2020	69,277	3,495	65,782
As on March 31, 2019	74,816	1,524	73,292

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, 2020	38,766	10,294	28,472
As on March 31, 2019	51,812	12,231	39,581

36 Fair value measurements

Financial instruments by category

	March 31, 2020			March 31, 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments	-	1,620	-	-	2,399	-
Trade receivables	-	-	65,782	-	-	73,292
Loans	-	-	490	-	-	275
Cash and cash equivalents	-	-	48,688	-	-	35,399
Bank balances other than above	-	-	101	-	-	70
Derivative financial assets	87	873	-	10	752	-
Other financial assets	-	-	31,150	-	-	42,085
Total financial assets	**87**	**2,493**	**146,211**	**10**	**3,151**	**151,121**
Financial Liabilities						
Borrowings including current maturities	-	-	117,701	-	-	115,342
Lease liabilities	-	-	13,663			
Derivative financial liabilities	82	3,365	-	-	1,086	-
Trade payable	-	-	103,091	-	-	106,613
Other financial liabilities	-	-	32,419	-	-	30,316
Total financial liabilities	**82**	**3,365**	**266,874**	**-**	**1,086**	**252,271**

i. Fair value hierarchy

Financial assets and liabilities measured at fair value-recurring fair value measurements as at March 31, 2020

	Notes	Level1	Level 2	Level 3	Total
Financial asset					
Financial Investments at FVOCI					
Listed equity investments	6(a), 6(b)	8	-	-	8
Unquoted equity investments	6(a), 6(b)	-	1,417	195	1,612
Derivatives designated as hedges					
Foreign exchange forward contracts	9	-	29	-	29
Cross currency interest rate swap	9	-	844	-	844
Derivatives not designated as hedges					
Foreign exchange forward contracts	9	-	-	87	87
Total		**8**	**2,290**	**282**	**2,580**
Financial liabilities					
Derivatives designated as hedges					
Cross currency interest rate swap	18	-	875	-	875
Foreign exchange forward contracts	18	-	2490	-	2,490
Total		**-**	**3,365**	**-**	**3,365**

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**

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, 2020				
Financial liabilities				
Borrowings [1&2]	48,596	-	61,974	110,570
Total financial liabilities	**48,596**	**-**	**61,974**	**110,570**
At March 31, 2019				
Financial liabilities				
Borrowings [1&2]	48,214	-	64,573	112,787
Total financial liabilities	**48,214**	**-**	**64,573**	**112,787**

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, [₹ 7,214 million (March 31, 2019: ₹ 7,175 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 31,2019: ₹ 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, 2018	2,461
Addition / Addition on account of business combination (Refer Note 50)	18
Disposals	(5)
Exchange gain / (loss)	(77)
Gains / (losses) recognised in other comprehensive income	(14)
As at March 31, 2019	**2,383**
Converted as subsidiary (Refer note 50)	(52)
Disposals	(2)
Exchange gain / (loss)	111
Gains / (losses) recognised in other comprehensive income	(828)
As at March 31, 2020	**1,612**

iv. Fair value of financial assets and liabilities measured at amortised cost

	March 31, 2020		March 31, 2019	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Loans	177	177	58	58
Trade receivables	13,998	13,998	11,629	11,629
Other financial assets	617	617	518	518
	14,792	**14,792**	**12,205**	**12,205**
Financial liabilities				
Borrowings	117,701	110,570	115,342	112,787
Lease liabilities	13,663	13,663	-	-
Other financial liabilities	3,794	3,794	4,267	4,267
	135,158	**128,027**	**119,609**	**117,054**

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, 2020	March 31, 2019
Unquoted equity shares	195	249
Significant unobservable inputs#		
Earnings growth rate	4%	4%
Risk adjusted discount rate	16%	16%
Impact of change in risk adjusted discount rate*		
Decrease in discount rate by 0.50%	19	19
Increase in discount rate by 0.50%	(17)	(17)
Impact of change in earning growth rate*		
Decrease in growth rate by 0.50%	(14)	(14)
Increase in growth rate by 0.50%	16	16

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, 2020**	**March 31, 2019**
Forward Contract (Buy)	HUF : EUR	HUF 19,466; INR 4,816	HUF 9,856; INR 2,327
	USD : INR	-	USD 3 ; INR 192
	EUR : INR	-	EUR 1 ; INR 66
	JPY : INR	-	JPY 49 ; INR 31
	EUR : USD	EUR 8 ; INR 685	EUR 3 ; INR 194
	USD : MXP	USD 77 ; INR 5,782	USD 158 ; INR 9,633
	MXP : USD	MXP 2,192; INR 7,970	MXP 613; INR 1,974
	CZK : EUR	-	CZK 5; INR 16
	CNY : INR	-	CNY 19; INR 195

			Amounts in million
Particulars/ Purpose	**Currency**	**March 31, 2020**	**March 31, 2019**
	CNY : EUR	CNY 92; INR 949	CNY 93; INR 889
	EUR : CNY	EUR 0; INR 11	EUR 5; INR 39
	USD : AUD	-	USD 9;INR 638
Forward Contract (Sell)	USD : MXP	-	USD 21; INR 1,509
	CZK : EUR	-	CZK 10; INR 31
	EUR : CNY	-	EUR 0 ; INR 0
	EUR : THB	EUR 2 ; INR 198	-
	USD : AUD	USD 15; INR 1,056	-
	EUR : KRW	EUR 7 ; INR 601	EUR 5 ; INR 391
Cross currency swap	USD : EUR	USD 80; INR 5,755	USD 80; INR 5,755
	INR : EUR	INR 5,750; EUR 81	INR 5,750; EUR 81
	USD : EUR	USD 295; INR 21,875	USD 295; INR 20,324
	USD_MXP	USD 15; INR 1,038	-
	USD : BRL	USD 5; INR 290	-
	USD : EUR	USD 2; INR 151	USD 25; INR 1,693
	CNY : BRL	CNY 5; INR 53	-
	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 87% (previous year 82%) of long term debt (i.e. more than 60% or gross debt) is borrowed at a fixed rate of interest in a range of 0.6% p.a. to 8.75% p.a. (March 31, 2019 0.6% p.a. to 9.00% p.a.)

The exposure of the Group's borrowing to interest rate changes at the end of reporting period are as follows:

	March 31, 2020	March 31, 2019
Variable rate borrowings	40,399	43,406
Fixed rate borrowings	77,302	71,936
Total borrowings	**117,701**	**115,342**

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, 2020	March 31, 2019
Interest rates-increase by 50 basis points*	(202)	(217)
Interest rates-decrease by 50 basis points*	202	217

* 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, 2020	March 31, 2019
Floating rate	56,576	52,527

(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, 2020	Less than 1 Year	Between 1 and 5 years	More than 5 Years	Total
Non-derivatives				
Borrowings	37,116	77,104	11,840	**126,060**
Lease liabilities	3,622	8,648	2,357	**14,627**
Trade payables	103,091	-	-	**103,091**
Other financial liabilities	28,625	3,794	-	**32,419**
Total non-derivative liabilities	**172,454**	**89,546**	**14,197**	**276,197**
Derivatives (net settled)				
Foreign exchange forward contracts	3,447	-	-	**3,447**
Total derivative liabilities	**3,447**	**-**	**-**	**3,447**

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**

(All amounts in ₹ Million, unless otherwise stated)

Impact of hedging activities

a Disclosure of effects of hedge accounting on financial position

March 31, 2020

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 451		206	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.91	(206)	206
	MXP 54		16	Apr'2020 - Mar'2021	1:1	USD:MXP : 21.816	(16)	16
	MXP 1,543		938	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.16	(938)	938
	HUF 10,743		189	Apr'2020 - Mar'2021	1:1	EUR:HUF : 336.77	(189)	189
	HUF 8,722		141	Apr'2020 - Mar'2021	1:1	EUR:HUF : 338.01	(141)	141
	CNY 2	0		Apr'2020 - May'2020	1:1	EUR:CNY : 7.92	0	(0)
	CNY 90	24	0	Apr'2020 - Mar'2021	1:1	EUR:CNY : 8.07	24	(24)
	USD 15		48	Apr'2020 - Jun'2021	1:1	USD:AUD : 1.55	(48)	48
	MXP 480		240	Apr'2020 - Mar'2021	1:1	USD:MXP : 20.85	(240)	240
	MXP 1,215		710	Apr'2020 - Dec'2021	1:1	USD:MXP : 20.79	(710)	710
	EUR 2		2	Apr'2020 - Mar'2021	1:1	EUR:THB : 35.81	(2)	2
	EUR 8	4	0	Apr'2020 - Nov'2020	1:1	EUR:USD : 1.09	4	(4)
(ii) Cross currency interest rate swap	USD 15	119		May'2020	1:1	MXP:USD : 0.05	119	(119)
	EUR 158	270		Dec'2021	1:1	EUR:USD : 1.11	722	(735)
	EUR 53	115		Jun'2020	1:1	EUR:USD : 1.13	115	(115)
	EUR 51	341		Aug'2023	1:1	EUR:USD : 1.17	167	(180)
	USD 80	-	67	Mar'2022	1:1	EUR:USD: 1.0783	(142)	142
	₹ 5,750	-	808	Mar'2022	1:1	EUR:₹: 64.4517	351	(351)

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
	INR 5,750	-	456	Mar'2022	1:1	EUR: INR : 64.4517	(435)	435

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, 2020	March 31, 2019
Net Debt*	68,973	79,917
EBITDA	50,333	55,686
Net Debt to EBITDA	**1.37**	**1.44**

* During March 31, 2020, Lease liabilities recognised as per Ind AS 116 is not included in Net Debt and Lease rent expense amounting ₹ 3,988 million derecognised as per Ind AS 116 is reduced from EBITDA. (Refer Note 46)

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, 2020	March 31, 2019
On Equity shares of ₹ 1 each		
Dividend		
Amount of dividend paid	9,474	4,737
Dividend per equity share	3.00	2.25

39 Distribution made and proposed

	March 31, 2019	March 31, 2018
Cash dividends on equity shares declared and paid		
Final cash dividend for the year ended on March 31, 2019: ₹ 1.5 (March 31, 2018: ₹ 2.25) per share	4,737	4,737
DDT on final dividend*	915	766
Interim dividend for the year ended on March 31, 2020: ₹ 1.5 per share (March 31, 2019: NIl per share)	4,737	-
DDT on proposed dividend	425	-
	10,814	**5,503**
Proposed dividends on Equity shares		
Final cash dividend for the year ended on March 31, 2020: Nil per share (March 31, 2019: ₹ 1.5 per share)	-	4,737
DDT on proposed dividend	-	974
	-	**5,711**

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 Company

	Name	Place of incorporation	Ownership interest	
			March 31, 2020	March 31, 2019
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 (became subsidiary from August 08, 2019)

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:

(a) Key management personnel compensation

	March 31, 2020	March 31, 2019
Short-term employee benefits	250	260
Directors commission/sitting fees	26	21
Post-employment benefits payable	46	40
Long-term employee benefits payable	16	14

(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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Sale of products	-	-	5,697	5,327	-	-	1	4	383	369
2	Sales of services	-	-	617	723	41	-	4	17	74	69
3	Rent income	-	-	23	29	-	-	-	-	56	61
4	Sale of property, plant and equipment	-	-	-	-	-	-	0	0	-	1
5	Purchase of goods	-	-	2,844	2,831	-	-	5,819	6,367	1,900	1,458
6	Purchase of property, plant and equipment & Right-of-use assets	-	-	-	-	-	-	84	44	1,883	2,527
7	Purchase of services	-	-	7	4	-	-	44	55	3,515	3,265
8	Rent expense	-	2	-	-	5 *	5 *	45	48	385	524
9	Payment of lease liability	-	-	-	-	-	-	-	-	180	-
9	Reimbursement made	-	-	0	1	0	0	17	7	80	90
10	Reimbursement received	1	-	0	2	-	-	1	12	8	14
12	Shares issued during the year	-	-	-	-	-	-	-	-	-	-
13	Investments redeemed/ sale of shares	-	-	-	-	-	-	-	-	-	-
14	Royalty	-	-	-	-	-	-	312	92	-	-
15	Dividend paid	-	-	-	-	270 **	135 **	5,545	2,773	10	33
16	Dividend received	-	-	101	172	-	-	-	-	2	-
17	Capital received from minority	-	-	-	-	-	-	-	-	-	-

* Rent of ₹ 5 million (March 31, 2019: ₹ 5 million) paid to Mr. V.C Sehgal, Mr. Laksh Vaaman Sehgal, Ms. Renu Sehgal, and Ms. Vidhi Sehgal.

**Dividend of ₹ 270 million (March 31, 2019 : ₹ 135 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, Alok Goel and Mr. Gautam Mukherjee.

(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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
1	Trade Payable	-	-	538	403	-	-	2,070	1,519	1,018	971
2	Trade Receivable	-	-	853	767	-	-	2	7	175	160
3	Capital advances	-	-	-	-	-	-	-	-	1	19
4	Advances recoverable	-	-	-	0	-	-	-	0	152	197
5	Investments*	-	-	-	-	-	-	-	-	14	14
6	Advances from customer	-	-	-	-	-	-	1	0	0	1

* 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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
i.	**Security deposits given:**	**-**									
	Beginning of the year	-	-	-	-	-	-	-	-	509	469
	Security deposit given	-	-	-	-	-	-	-	-	76	70
	Security deposits received back	-	-	-	-	-	-	-	-	(105)	(30)
	End of the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**480**	**509**
ii.	**Security Deposit Received:**										
	Beginning of the year	-	-	35	35	-	-	-	-	15	16
	Security deposits received	-	-	-	-	-	-	-	-	2	-
	Security deposits repaid	-	-	-	-	-	-	-	-	(2)	(1)
	End of the year	**-**	**-**	**35**	**35**	**-**	**-**	**-**	**-**	**15**	**15**
iii.	**Loans given:**										
	Beginning of the year	-	-	-	-	-	-	-	-	34	200
	Loans given	-	-	-	-	-	-	-	-	216	-
	Interest income	-	-	-	-	-	-	-	-	6	1
	Loans & interest received back	-	-	-	-	-	-	-	-	(34)	(167)
	End of the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**222**	**34**
iv.	**Loans taken:**										
	Beginning of the year	-	-	-	-	-	-	1	1	5,789	-
	Loans received	-	-	-	-	-	-	-	-	4,424	5,701
	Interest expense	-	-	-	-	-	-	-	0	299	88
	Loans repaid & interest paid	-	-	-	-	-	-	(1)	-	(8,028)	-
	End of the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1**	**2,484**	**5,789**

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 Oy 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.

 (All amounts in ₹ Million, unless otherwise stated)

Revenue from operation (excludes interest income & Foreign exchange gain)

	March 31, 2020	March 31, 2019
MSSL Standalone	68,738	75,813
SMR	124,029	131,809
SMP	320,998	301,791
PKC	93,822	96,430
Others	44,240	45,075
Total	**651,827**	**650,918**
Less: Intersegment	16,459	15,689
Total revenue from operation as per profit and loss statement	**635,368**	**635,229**

Disaggregated revenue information

India	73,813	76,008
Germany	137,034	152,231
Spain	37,059	38,057
USA	98,321	92,050
Others*	289,141	276,883
	635,368	**635,229**

* None of the other countries contribute materially to the revenue of the group.

Type of goods or Services

	March 31, 2020	March 31, 2019
Sales of Components	570,872	571,808
Tool development	54,860	53,908
Assembly of components	2,878	3,291
Others operating revenue	2,095	2,568
Total revenue from contracts with customers	**630,705**	**631,575**

Timing of revenue recognition

	March 31, 2020	March 31, 2019
As a point in time	577,663	578,303
Over a period of time	53,042	53,272
Total revenue from contracts with customers	**630,705**	**631,575**

(c) EBITDA

	March 31, 2020	March 31, 2019
MSSL Standalone	11,685	13,347
SMR	14,598	15,215
SMP	12,930	13,338
PKC	9,457	8,522
Others	5,378	4,858
Total	**54,048**	**55,280**
Add: unallocated income / (expenses)		
Dividend Income	6	8
Interest income	361	354
Less: Intersegment	95	(44)
Total EBITDA	**54,320**	**55,686**
Depreciation	(27,780)	(20,582)
Finance costs	(5,986)	(4,232)
Company's share in net profit / (loss) of associates and joint ventures accounted for using the equity method	575	1,131
Income tax expense	(8,184)	(11,022)
Profit after tax	**12,945**	**20,981**

Interest and dividend income was allocated to segment EBITDA, which is considered as unallocated income in above table. Previous year number is also reclassified based on new classification of segment EBITDA.

(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, 2020	March 31, 2019
MSSL Standalone	43,415	42,503
SMR	95,556	73,677
SMP	227,734	213,119
PKC	50,907	44,570
Others	151,011	132,785
Total	**568,623**	**506,654**
Less: Intersegment	131,603	91,856
Unallocated:		
Deferred Tax	5,030	6,123
Non-current Tax	3,732	2,524
Other corporate assets and investments	9,176	9,857
Total assets as per balance sheet	**454,958**	**433,302**

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, 2020	March 31, 2019
India	23,741	23,256
Germany	38,287	35,630
Spain	14,491	12,346
USA	29,491	25,717
Others*	106,578	107,299
	212,588	**204,248**

* 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, 2020	March 31, 2019
MSSL Standalone	3,471	3,976
SMR	4,068	4,989
SMP	10,825	13,803
PKC	2,852	2,578
Others	726	1,507
	21,942	**26,853**

(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, 2020	March 31, 2019
MSSL Standalone	29,525	26,006
SMR	51,455	37,222
SMP	203,986	177,568
PKC	32,580	28,150
Others	44,636	34,115
Total	**362,182**	**303,061**
Less: Intersegment	131,243	91,593
Deferred Tax	4,627	5,762
Current Tax	3,623	4,148
Other common / unallocated liabilities	67,509	67,500
Total	**306,698**	**288,878**

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, 2020	March 31, 2019
Property, plant and equipment		
Estimated value of contracts in capital account remaining to be executed, (Net of Advances of ₹ 887 million (March 31, 2019: ₹ 538 million))	4,428	6,236
Investment Property		
Estimated value of purchase consideration outstanding, (net of advances of ₹ 110 million (March 31, 2019: ₹ 107 million))	-	3
Total	**4,428**	**6,239**
Other Commitments		
Bank Guarantee	487	1,390
Others	160	242

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 Group not acknowledged as debts

	March 31, 2020	March 31, 2019
Excise, sales tax and service tax matters #	106	135
Claims made by workmen	146	123
Income tax matters	207	327
Unfulfilled export commitment under EPCG scheme	115	108
Others (refer note 'c' below)	3,263	2,093

Against which Group has given bank guarantees amounting to ₹ 2 million (March 31, 2019 : ₹ 9 million)

(a) The Group does not expect any reimbursements in respect of the above contingent liabilities.

(b) It is not practicable for the Group 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, 2020, both the conditions have been fulfilled however headcount level needs to be sustained for 5 years therefore the Group may be contingently liable for ₹ 2,447 million (March 31, 2019: ₹ 2,077 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, 2020	March 31, 2019
Current:		
Financial assets		
Floating charge		
Cash and cash equivalents	25,286	15,207
Inventories	22,576	21,125
Receivables	27,024	49,284
Other current assets	21,854	5,871
Total current assets pledged as security	**96,740**	**91,487**
Non Current:		
First charge		
Freehold land	3,260	2,569
Buildings	30,805	28,615
Plant & Machinery	44,713	42,094
PPE under finance lease	3,567	2,659
Investment Property	747	872
Other non current assets	9,689	11,213
Total non current assets pledged as security	**92,781**	**88,022**
Total assets pledged as security	**189,521**	**179,509**

Further, loan amounting to ₹ 11,789 million (March 31, 2019: ₹ 16,703 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.

The transaction price allocated to the remaining performance obligations related to tool development (unsatisfied or partially unsatisfied) are, as follows:

	March 31, 2020	March 31, 2019
Within one year	27,817	31,786
More than one year	19,477	17,827
Total	**47,294**	**49,613**

Table below provides information on revenue recognised from :

	March 31, 2020	March 31, 2019
Amounts included in contract liabilities at the beginning of the year	1,717	538
Performance obligations partly satisfied in previous years	25,197	43,126

The table below represents summary of contract assets and liabilities relating to contracts with customers :

	March 31, 2020	March 31, 2019
Receivables	65,782	73,292
Contract assets	28,472	39,581
Contract liabilities	5,342	4,296

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 Ind AS 116 Leases

The Group elected to apply Indian Accounting Standard 116 ('Ind AS 116'), Leases, with effect from April 01, 2019, using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been restated. The Group assesses each lease contract and if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, the Group recognised right to use assets and lease liabilities for those lease contracts except for short-term lease and lease of low-value assets.

As at March 31, 2019, the Group had minimum lease payment commitment under non-cancellable operating leases of ₹ 8,466 million. Pursuant to adoption of Ind AS 116, lease liabilities of ₹ 12,960 million were recognised on April 01, 2019, the transition date. The difference between the operating lease commitments under Ind AS 17 and lease liabilities recognised under Ind AS 116 is largely due to discounting of lease commitments and adoption of practical expedients on exclusion of short-term leases and leases of lowvalue and other adjustments due to reassessment of terms of the contracts. The Group's lease portfolio consist of multiple leases across various geographies and also there are differences in incremental borrowing rates per geography, so determination of weighted average incremental borrowing rate is not practicable.

As at the transition date April 01, 2019 following impacts were recognised in financial position on account of recognition of right of use assets, lease liabilities and reclassification of existing finance lease assets and liabilities.

	March 31, 2019	April 01, 2019	Change
Property, plant & equipment	140,539	137,139	(3,400)
Right-of-use assets	-	16,558	16,558
Other receivables and assets (non-current and current)	19,459	19,261	(198)
Borrowings (non-current and current, including current maturity of long term borrowing)	115,342	114,932	410
Lease Liabilities	-	13,370	(13,370)

The carrying amounts of lease liabilities and the movements during the period is given below:

	April 01, 2019
Recognised as at April 01, 2019 on account of adoption of ind AS 116	12,960
Reclassification from borrowings	410
	13,370

	March 31, 2020
Current lease liabilities	3,363
Non-current lease liabilities	10,300
	13,663

Amount recognised in Statement of Profit and Loss during the year:

	March 31, 2020
Interest expense on lease liabilities (included in finance cost)	738
Depreciation of Right of Use assets	3,599
Lease expense derecognised	3,988
Short term and low value lease payments	3,113

47 Hyperinflation

With the effect from July 1, 2018, the Argentine economy was considered to be hyperinflationary in accordance with the criteria in IAS 29 "Financial Reporting in Hyperinflationary Economies" ("IAS 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, 2020 has been a loss of ₹ 29 million (March 31, 2019: 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.

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
1	MSSL Mauritius Holdings Limited (MMHL)	Mauritius	100%	100%	0%	0%	March 31, 2020
2	Motherson Electrical Wires Lanka Private Limited	Sri Lanka	100%	100%	0%	0%	March 31, 2020
3	MSSL Mideast (FZE)	UAE	100%	100%	0%	0%	March 31, 2020
4	MSSL (S) Pte Limited	Singapore	100%	100%	0%	0%	March 31, 2020
5	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	India	100%	100%	0%	0%	March 31, 2020
6	Samvardhana Motherson Polymers Limited (SMPL)	India	51%	51%	49%	49%	March 31, 2020
7	Motherson Polymers Compounding Solution Limited	India	100%	100%	0%	0%	March 31, 2020
8	MSSL (GB) Limited (Jointly held by the Company and MSSL Mideast (FZE))	UK	100%	100%	0%	0%	March 31, 2020
9	Motherson Wiring System (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2020
10	MSSL Tooling (FZE) (held by MSSL Mideast (FZE))	UAE	100%	100%	0%	0%	March 31, 2020
11	MSSL GmbH (held by MSSL Mideast (FZE))	Germany	100%	100%	0%	0%	March 31, 2020
12	Samvardhana Motherson Invest Deutschland GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
13	MSSL Advanced Polymers s.r.o.(held by MSSL GmbH)	Czech Republic	100%	100%	0%	0%	March 31, 2020
14	Motherson Techno Precision GmbH (held by MSSL GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
15	MSSL s.r.l. Unipersonale (held by MSSL (GB) Limited)	Italy	100%	100%	0%	0%	March 31, 2020
16	Motherson Techno Precision México, S.A. de C.V (held by Motherson Techno Precision GmbH)	Mexico	100%	100%	0%	0%	March 31, 2020
17	MSSL Manufacturing Hungary Kft (held by MSSL GMBH)	Hungary	100%	100%	0%	0%	March 31, 2020
18	Motherson Air Travel Pvt Ltd held by MSSL Mideast (FZE)	Ireland	100%	100%	0%	0%	March 31, 2020
19	MSSL Australia Pty Limited (held by MSSL Mauritius Holdings Limited)	Australia	80%	80%	20%	20%	March 31, 2020
20	Motherson Elastomers Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
21	Motherson Investments Pty Limited (held by MSSL Australia Pty Limited)	Australia	100%	100%	0%	0%	March 31, 2020
22	MSSL Ireland Private Limited (held by MSSL (GB) Limited)	Ireland	100%	100%	0%	0%	March 31, 2020
23	MSSL Global RSA Module Engineering Limited (held by MSSL Mauritius Holdings Limited)	South Africa	100%	100%	0%	0%	March 31, 2020
24	MSSL Japan Limited (held by MSSL (S) Pte Limited)	Japan	100%	100%	0%	0%	March 31, 2020
25	Vacuform 2000 (Proprietary) Limited (held by MSSL Mauritius Holdings Limited)	South Africa	51%	51%	49%	49%	March 31, 2020
26	MSSL México, S.A. De C.V. (held by MSSL (S) Pte Limited)	Mexico	100%	100%	0%	0%	March 31, 2020
27	MSSL WH System (Thailand) Co., Ltd (held by MSSL (S) Pte. Ltd.)	Thailand	100%	100%	0%	0%	March 31, 2020
28	MSSL Korea WH Limited (held by MSSL (S) Pte. Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2020
29	MSSL Consolidated Inc. (held by MSSL (GB) Ltd.)	USA	100%	100%	0%	0%	March 31, 2020
30	MSSL Wiring System Inc (held by MSSL Consolidated Inc.)	USA	100%	100%	0%	0%	March 31, 2020
31	Alphabet de Mexico, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
32	Alphabet de Mexico de Monclova, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
33	Alphabet de Saltillo, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
34	MSSL Wirings Juarez, S.A. de C.V. (held by MSSL (GB) Ltd.)	Mexico	100%	100%	0%	0%	March 31, 2020
35	Samvardhana Motherson Global Holdings Ltd. (SMGHL) (held by MSSL Mauritius Holdings Limited)	Cyprus	51%	51%	49%	49%	March 31, 2020
36	Samvardhana Motherson Automotive Systems Group B.V. (SMRPBV) (held by SMGHL and SMPL)	Netherlands	100%	100%	0%	0%	March 31, 2020
37	Samvardhana Motherson Reflectec Group Holdings Limited (SMR) (held by SMRPBV)	Jersey	98.45%	98.45%	1.55%	1.55%	March 31, 2020
38	SMR Automotive Technology Holding Cyprus Limited (held by SMR)	Cyprus	100%	100%	0%	0%	March 31, 2020
39	SMR Automotive Mirror Parts and Holdings UK Ltd (held by SMR)	UK	100%	100%	0%	0%	March 31, 2020
40	SMR Automotive Holding Hong Kong Limited (held by SMR)	Hong Kong	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
41	SMR Automotive Systems India Limited (Jointly held by the Company and SMR Automotive Technology Holding Cyprus Limited)	India	100%	100%	0%	0%	March 31, 2020
42	SMR Automotive Systems France S.A. (held by SMR Automotive Technology Holding Cyprus Limited)	France	100%	100%	0%	0%	March 31, 2020
43	SMR Automotive Mirror Technology Holding Hungary KFT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2020
44	SMR Patents S.à.r.l. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Luxembourg	100%	100%	0%	0%	March 31, 2020
45	SMR Automotive Technology Valencia S.A.U. (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Spain	100%	100%	0%	0%	March 31, 2020
46	SMR Automotive Mirrors UK Limited (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	UK	100%	100%	0%	0%	March 31, 2020
47	SMR Automotive Mirror International USA Inc. (held by SMR Mirrors UK Limited)	USA	100%	100%	0%	0%	March 31, 2020
48	SMR Automotive Systems USA Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2020
49	SMR Automotive Beijing Company Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2020
50	SMR Automotive Yancheng Co. Limited (held by SMR Automotive Holding Hong Kong Limited)	China	100%	100%	0%	0%	March 31, 2020
51	SMR Automotive Mirror Systems Holding Deutschland GmbH (held by SMR Automotive Mirror Parts and Holdings UK Ltd.)	Germany	100%	100%	0%	0%	March 31, 2020
52	SMR Holding Australia Pty Limited (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Australia	100%	100%	0%	0%	March 31, 2020
53	SMR Automotive Australia Pty Limited (held by SMR Holding Australia Pty Ltd.)	Australia	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
54	SMR Automotive Mirror Technology Hungary BT (held by SMR Automotive Technology Holding Cyprus Limited)	Hungary	100%	100%	0%	0%	March 31, 2020
55	SMR Automotive Modules Korea Ltd. (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	South Korea	100%	100%	0%	0%	March 31, 2020
56	SMR Automotive Beteiligungen Deutschland GmbH (held by SMR)	Germany	100%	100%	0%	0%	March 31, 2020
57	SMR Hyosang Automotive Ltd. (held by SMR Automotive Modules Korea Ltd.)	South Korea	100%	100%	0%	0%	March 31, 2020
58	SMR Automotive Mirrors Stuttgart GmbH (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
59	SMR Automotive Systems Spain S.A.U (held by SMR Automotive Mirrors Stuttgart GmbH)	Spain	100%	100%	0%	0%	March 31, 2020
60	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, 2020
61	Samvardhana Motherson Corp Management Shanghai Co Ltd. (held by SMR Automotive Mirrors Stuttgart GmbH)	China	100%	100%	0%	0%	March 31, 2020
62	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, 2020
63	SMR Automotive Brasil Ltda. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Brazil	100%	100%	0%	0%	March 31, 2020
64	SMR Automotive System (Thailand) Limited (held by SMR Automotive Technology Holding Cyprus Limited)	Thailand	100%	100%	0%	0%	March 31, 2020
65	SMR Automotives Systems Macedonia Dooel Skopje (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Macedonia	100%	100%	0%	0%	March 31, 2020
66	SMR Automotive Operations Japan K.K. (held by SMR Automotive Mirror Technology Holding Hungary Kft)	Japan	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
67	SMR Automotive (Langfang) Co. Ltd (held by SMR Automotive Mirror Systems Holding Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2020
68	SMR Automotive Vision System Operations USA INC (held by SMR)	USA	100%	100%	0%	0%	March 31, 2020
69	SMR Mirror UK Limited (held by SMR Automotive Vision System Operations USA INC)	UK	100%	100%	0%	0%	March 31, 2020
70	Motherson Innovations Company Limited (held by SMR)	UK	100%	100%	0%	0%	March 31, 2020
71	Motherson Innovations Deutschland GmbH (held by Motherson Innovations Company Limited)	Germany	100%	100%	0%	0%	March 31, 2020
72	Motherson Innovations LLC (held by Motherson Innovations Company Limited)	USA	100%	100%	0%	0%	March 31, 2020
73	Samvardhana Motherson Global (FZE) (held by SMR)	UAE	100%	100%	0%	0%	March 31, 2020
74	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, 2020
75	Samvardhana Motherson Peguform GmbH (SMP) (held by SMRPBV)	Germany	100%	100%	0%	0%	March 31, 2020
76	SMP Automotive Interiors (Beijing) Co. Ltd. (held by SMRPBV)	China	100%	100%	0%	0%	March 31, 2020
77	SMP Deutschland GmbH (held by Samvardhana Motherson Peguform GmbH and SMGHL)	Germany	100%	100%	0%	0%	March 31, 2020
78	SMP Logistik Service GmbH (held by SMP Deutschland GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
79	"SMP Automotive Solutions Slovakia s.r.o. (held by SMP Deutschland GmbH)"	Slovakia	100%	100%	0%	0%	March 31, 2020
80	Changchun Peguform Automotive Plastics Technology Co., Ltd.(held by SMP Deutschland GmbH)	China	50% +1share	50% +1share	50% -1share	50% -1share	March 31, 2020
81	Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
82	Shenyang SMP Automotive Plastic Component Co. Ltd. (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020
83	Tianjin SMP Automotive Component Company Limited (held by Changchun Peguform Automotive Plastics Technology Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020
84	SMP Automotive Technology Management Services (Changchun) Co. Ltd. (held by SMP Deutschland GmbH)	China	100%	100%	0%	0%	March 31, 2020
85	SMP Automotive Technology Iberica S.L. (held by SMRPBV)	Spain	100%	100%	0%	0%	March 31, 2020
86	Samvardhana Motherson Peguform Barcelona S.L.U (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2020
87	SMP Automotive Technologies Teruel Sociedad Limitada (held by SMP Automotive Technology Iberica S.L.)	Spain	100%	100%	0%	0%	March 31, 2020
88	Samvardhana Motherson Peguform Automotive Technology Portugal S.A. (held by SMP Automotive Technology Iberica S.L.)	Portugal	100%	100%	0%	0%	March 31, 2020
89	SMP Automotive Systems Mexico S.A. de C.V. (held by SMP Automotive Technology Iberica S.L.)	Mexico	100% -1share	100% -1share	0%	0%	March 31, 2020
90	SMP Automotive Produtos Automotivos do Brasil Ltda. (held by SMP Automotive Technology Iberica S.L.)	Brazil	100% -1share	100% -1share	0%	0%	March 31, 2020
91	SMP Automotive Exterior GmbH (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
92	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
93	Samvardhana Motherson Innovative Autosystems Holding Company BV (held by SMR)	Netherlands	100%	100%	0%	0%	March 31, 2020
94	SM Real Estate GmbH (held by SMGHL & SMP Automotive Exterior GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
95	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V. (held jointly by SMR & SMP)	Mexico	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
96	SMP Automotive Systems Alabama Inc. (held by SMR Automotive Mirror International USA Inc.)	USA	100%	100%	0%	0%	March 31, 2020
97	Celulosa Fabril (Cefa) S.A. (held by SMP automotive technology Iberica S.L.)	Spain	50%	50%	50%	50%	March 31, 2020
98	Modulos Ribera Alta S.L.Unipersonal (held by Celulosa Fabril (Cefa) S.A.)	Spain	100%	100%	0%	0%	March 31, 2020
99	Motherson Innovations Lights GmbH & Co KG (held by Samvardhana Motherson Peguform GmbH)	Germany	100%	100%	0%	0%	March 31, 2020
100	Motherson Innovations Lights Verwaltungs GmbH (held by Motherson Innovations Lights GmbH & Co KG)	Germany	100%	100%	0%	0%	March 31, 2020
101	MSSL Estonia WH OÜ (held by MSSL (GB) Limited)	Estonia	100%	100%	0%	0%	March 31, 2020
102	PKC Group Oy (held by MSSL Estonia WH OÜ)	Finland	100%	100%	0%	0%	March 31, 2020
103	PKC Wiring Systems Oy (held by PKC Group Oy)	Finland	100%	100%	0%	0%	March 31, 2020
104	PKC Group Poland Sp. z o.o. (held by PKC Eesti AS)	Poland	100%	100%	0%	0%	March 31, 2020
105	PKC Wiring Systems Llc (held by PKC Wiring Systems Oy)	Serbia	100%	100%	0%	0%	March 31, 2020
106	PKC Group APAC Limited (held by PKC Wiring Systems Oy)	Hong Kong	100%	100%	0%	0%	March 31, 2020
107	PKC Group Canada Inc. (held by PKC Wiring Systems Oy)	Canada	100%	100%	0%	0%	March 31, 2020
108	PKC Group USA Inc. (held by PKC Wiring Systems Oy)	USA	100%	100%	0%	0%	March 31, 2020
109	PKC Group Mexico S.A. de C.V. (held by PKC Wiring Systems Oy)	Mexico	100%	100%	0%	0%	March 31, 2020
110	Project del Holding S.a.r.l. (held by PKC Wiring Systems Oy)	Luxembourg	100%	100%	0%	0%	March 31, 2020
111	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, 2020
112	PKC Eesti AS (held by PKC Wiring Systems Oy)	Estonia	100%	100%	0%	0%	March 31, 2020
113	TKV-sarjat Oy (held by PKC Wiring Systems Oy)	Finland	100%	100%	0%	0%	March 31, 2020
114	PKC SEGU Systemelektrik GmbH (held by PKC Wiring Systems Oy)	Germany	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
115	Groclin Luxembourg S.à r.l. (held by PKC Group Poland Holding Sp. z o.o.)	Luxembourg	100%	100%	0%	0%	March 31, 2020
116	PKC Vehicle Technology (Suzhou) Co., Ltd. (held by PKC Group APAC Limited)	China	100%	100%	0%	0%	March 31, 2020
117	AEES Inc. (held by PKC Group USA Inc.)	USA	100%	100%	0%	0%	March 31, 2020
118	PKC Group Lithuania UAB (held by PKC Eesti AS)	Lithuania	100%	100%	0%	0%	March 31, 2020
119	PKC Group Poland Holding Sp. z o.o. (held by PKC Wiring Systems Oy)	Poland	100%	100%	0%	0%	March 31, 2020
120	OOO AEK (jointly held by PKC Eesti AS & TKV sarjat O)	Russia	100%	100%	0%	0%	March 31, 2020
121	Kabel-Technik-Polska Sp. z o.o. (held by Groclin Luxembourg S.à r.l.)	Poland	100%	100%	0%	0%	March 31, 2020
122	T.I.C.S. Corporation (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2020
123	AEES Power Systems Limited partnership (jointly held by T.I.C.S. Corporation & AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2020
124	Fortitude Industries Inc. (held by AEES Inc.)	USA	100%	100%	0%	0%	March 31, 2020
125	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, 2020
126	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, 2020
127	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, 2020
128	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, 2020
129	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, 2020
130	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, 2020
131	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, 2020
132	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, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
133	Jiangsu Huakai-PKC Wire Harness Co., Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2020
134	PKC Vechicle Technology (Hefei) Co, Ltd. (held by PKC Group APAC Limited)	China	50%	50%	50%	50%	March 31, 2020
135	Shangdong Huakai-PKC Wire Harness Co., Ltd. (held by Jiangsu Huakai-PKC Wire Harness Co., Ltd.)	China	100%	100%	0%	0%	March 31, 2020
136	Motherson Rolling Stock Systems GB Limited (held by Kabel Technik Polska Sp. z o.o.)(incorporated on February 01, 2019) *	UK	100%	100%	0%	0%	March 31, 2020
137	Motherson PKC Harness Systems FZ-LLC (held by PKC Eesti AS) (incorporated on July 7, 2019)	UAE	100%	100%	0%	0%	March 31, 2020
138	Global Environment Management (FZC) (held by MSSL Mauritius Holdings Limited)1	UAE	100%	100%	0%	0%	March 31, 2020
139	SMRC Automotive Interiors Management B.V. (held by SMRPBV)*	Netherlands	100%	100%	0%	0%	March 31, 2020
140	SMRC Automotive Holdings B.V. (jointly held by SMRPBV and SMRC Automotive Interiors Management B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
141	SMRC Automotive Holdings Netherlands B.V. (held by SMRC Automotive Holdings B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
142	SMRC Automotives Techno Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
143	SMRC Smart Automotive Interior Technologies USA, LLC (held by SMRC Automotive Holdings Netherlands B.V.)*	USA	100%	100%	0%	0%	March 31, 2020
144	SMRC Automotive Modules France SAS (held by SMRC Automotive Holdings Netherlands B.V.)*	France	100%	100%	0%	0%	March 31, 2020
145	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U. (held by SMRC Automotive Holdings Netherlands B.V.)*	Spain	100%	100%	0%	0%	March 31, 2020
146	SMRC Automotive Interiors Spain S.L.U. (held by Reydel Automotive Holding Spain , S.L.U)*	Spain	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
147	SMRC Automotive Interior Modules Croatia d.o.o (held by SMRC Automotive Holdings Netherlands B.V.)*	Croatia	100%	100%	0%	0%	March 31, 2020
148	Samvardhana Motherson Reydel Autotecc Morocco SAS (held by SMRC Automotive Holdings Netherlands B.V.)*	Morocco	100%	100%	0%	0%	March 31, 2020
149	SMRC Automotive Technology RU LLC (held by SMRC Automotive Holdings Netherlands B.V.)*	Russia	100%	100%	0%	0%	March 31, 2020
150	SMRC Smart Interior Systems Germany GmbH (held by SMRC Automotive Holdings Netherlands B.V.)*	Germany	100%	100%	0%	0%	March 31, 2020
151	SMRC Automotive Interiors Products Poland SA (held by SMRC Automotive Holdings Netherlands B.V.)*	Poland	100%	100%	0%	0%	March 31, 2020
152	SMRC Automotive Solutions Slovakia s.r.o. (held by SMRC Automotive Holdings Netherlands B.V.)*	Slovakia	100%	100%	0%	0%	March 31, 2020
153	SMRC Automotive Holding South America B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
154	SMRC Automotive Modules South America Minority Holdings B.V. (held by SMRC Automotive Holdings Netherlands B.V.)*	Netherlands	100%	100%	0%	0%	March 31, 2020
155	SMRC Automotive Tech Argentina S.A. (jointly held by SMRC Automotive Holding South America B.V. & SMRC Automotive Modules South America Minority Holdings B.V.)*	Argentina	100%	100%	0%	0%	March 31, 2020
156	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda (held by SMRC Automotive Holding South America B.V.)*	Brazil	100%	100%	0%	0%	March 31, 2020
157	SMRC Automotive Products India Private Limited (held by SMRC Automotive Holdings Netherlands B.V.)*	India	100%	100%	0%	0%	March 31, 2020
158	SMRC Automotive Smart Interior Tech (Thailand) Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	Thailand	100%	100%	0%	0%	March 31, 2020

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, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
159	SMRC Automotive Interiors Japan Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	Japan	100%	100%	0%	0%	March 31, 2020
160	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd. (held by SMRC Automotive Holdings Netherlands B.V.)*	China	100%	100%	0%	0%	March 31, 2020
161	PT SMRC Automotive Technology Indonesia (jointly held by SMRC Automotive Holdings Netherlands B.V. & SMRC Automotives Techno Minority Holdings B.V.)*	Indonesia	100%	100%	0%	0%	March 31, 2020
162	Yujin SMRC Automotive Techno Corp. (held by SMRC Automotive Holdings Netherlands B.V.)*	South Korea	50.9%	50.9%	49.1%	49.1%	March 31, 2020
163	SMRC Automotives Technology Phil Inc. (held by SMRC Automotive Holdings Netherlands B.V.)*	Philippines	100%	100%	0%	0%	March 31, 2020
164	Motherson Ossia Innovations llc. (held by Motherson Innovations LLC)	USA	51%	51%	49%	49%	March 31, 2020
165	Re-time Pty Limited (held by SMR Automotive Australia Pty Limited)	Australia	71.4%	35%	28.6%		March 31, 2020
166	Wisetime Oy (held by PKC Wiring Systems Oy) (become subsidiary w.e.f March 6, 2020)	Finland	100%	19%	0%		March 31, 2020
167	MSSL M Tooling Ltd	Mauritius	100%	100%	0%	0%	March 31, 2020
168	Samvardhana Motherson Polymers Management Germany GMBH (held by MSSL GmbH) (Merged with MSSL GmbH from August 30, 2019)	Germany	100%	100%	0%	0%	March 31, 2020
169	MSSL Overseas Wiring System Ltd. (held by MSSL (GB) Ltd.) liquidated on January 29, 2019	UK	-	100%	-	0%	-
170	SMR Automotive Servicios Mexico S.A de C.V (held by SMR Automotive Vision Systems Mexico S.A de C.V) (liquidated on July 2, 2019)	Mexico	-	100%	-	0%	March 31, 2020
171	PKC Netherlands Holding B.V. (held by PKC Group Oy) (Liquidated on July 31, 2019)	Netherlands	-	100%	-	0%	March 31, 2020
172	PK Cables Nederland B.V. (held by PKC Netherlands Holding B.V.) (Liquidated on July 31, 2019)	Netherlands	-	100%	-	0%	March 31, 2020
173	Global Environment Management Australia Pty Limited (held by Global Environment Management (FZC)), (liquidated on April 20, 2018)	Australia	-	-	-	-	

* 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, 2020	March 31, 2019
Current assets	126,377	130,860
Current liabilities	132,040	130,782
Net current assets	**(5,663)**	**78**
Non-current assets	169,188	151,412
Non-current liabilities	101,575	89,981
Net non-current assets	**67,613**	**61,431**
Net Assets	**61,950**	**61,509**
Accumulated Non controlling Interest	**31,621**	**31,156**

Summarised statement of profit and loss	Samvardhana Motherson Automotive Systems Group B.V.	
	March 31, 2020	March 31, 2019
Revenue	445,679	434,378
Profit for the year	175	7,529
Other comprehensive income	1,353	444
Total comprehensive income	**1,528**	**7,973**
Profit allocated to non controlling interest	1,018	4,566
Dividend paid to NCI	1,381	1,413

Summarised cash flows	Samvardhana Motherson Automotive Systems Group B.V.	
	March 31, 2020	March 31, 2019
Cash flows from operating activities	35,024	23,295
Cash flows from investing activities	(13,194)	(27,189)
Cash flows from financing activities	(11,623)	11,030
Net increase / (decrease) in cash and cash equivalents	**10,207**	**7,136**

C. Interest in associates companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2020	Quoted fair value		Carrying amount	
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
SAKS Ancillaries Limited	India	40.01%	-*	-*	43	42
Re-time Pty Limited (held by SMR) (Refer Note 50)	Australia			-*		7
Hubei Zhengao PKC Automotive Wiring Company Ltd. (held by PKC)	China	40%	-*	-*	875	842

* Unlisted entity - no quoted price available

D. Interest in Joint ventures companies consolidated using equity method of accounting

Name of the Company	Country of Incorporation	% of ownership interest March 31, 2020	Quoted fair value		Carrying amount	
			March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Kyungshin Industrial Motherson Limited	India	50%	-*	-*	2,076	1,987
Calsonic Kansei Motherson Auto Products Private Limited	India	49%	-*	-*	685	683
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%	-*	-*	2,396	2,187
Eissmann SMP Automotive Interieur Slovensko s.r.o (through SMP Deutschland GmbH)	Slovakia	49%	-*	-*	267	408

* 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.

E. 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, 2020				
Current assets				
Cash and cash equivalents	1,009	491	1,937	186
Other assets	5,496	1,493	4,207	667
Total current assets	**6,505**	**1,984**	**6,144**	**853**
Total non-current assets	2,087	1,710	2,492	767
Current liabilities				
Financial liabilities (excluding trade payables)	3,078	981	-	-
Other liabilities	936	640	3,812	1,054
Total current liabilities	**4,014**	**1,621**	**3,812**	**1,054**
Total non-current liabilities	427	674	33	6
Consolidation adjustments and currency translation adjustment	-	-	-	(15)
Net assets	**4,151**	**1,399**	**4,791**	**545**

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, 2020				
Opening net assets	3,973	1,394	4,373	833
Profit for the year	396	42	863	(331)
Other comprehensive income	(10)	1	-	-
Exchange gain / (loss)	-	-	166	43
Dividend paid	(208)	(38)	(611)	-
Closing net assets	**4,151**	**1,399**	**4,791**	**545**
Group's share in %	50%	49%	50%	49%
Group's share in ₹	2,076	685	2,396	267
Carrying amount	**2,076**	**685**	**2,396**	**267**

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
Consolidation 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
Goodwill				
Carrying amount	**1,987**	**683**	**2,187**	**408**

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, 2020				
Revenue	16,053	4,829	12,902	3,392
Interest income	76	24	17	-
Depreciation and amortisation	214	434	392	163
Interest expense	39	110	4	0
Income tax expense	146	133	119	-
Profit from continuing operation	396	42	863	(331)
Other comprehensive income	(10)	(0)	-	-
Total comprehensive income	**386**	**42**	**863**	**(331)**

	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)**

F. 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, 2020	
Current assets	3,300
Non-current assets	331
Total assets	**3,631**

Summarised balance sheet	Hubei Zhengao PKC Automotive Wiring Company Ltd.
Non-current liabilities	0
Current liabilities	1,568
Total liabilities	**1,568**
Net assets	**2,063**
Group Share %	40%

Reconciliation to carrying amounts:

	Hubei Zhengao PKC Automotive Wiring Company Ltd.
March 31, 2020	
Opening net assets	842
Profit for the year	92
Exchange gain / (loss)	73
Dividend paid	(132)
Carrying amount	**875**

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**
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
Investment during the year	-
Profit for the year	161
Exchange gain / (loss)	32
Carrying amount	**842**

G. Individually immaterial associates

The group has interests in a number of individually immaterial associates that are accounted for using equity method. The group share of investment and profit is disclosed below.

	March 31, 2020	March 31, 2019
Aggregate carrying amount of individually immaterial associates	43	49
Aggregate amounts of the group's share of:		
Profit / (loss) from continuing operations	1	6

H. Commitments and contingent liabilities in respect of associates and joint ventures

	March 31, 2020	March 31, 2019
Share of joint venture's contingent liabilities in respect of:		
Excise matters	42	2
Unfulfilled export commitments under EPCG Scheme	115	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)	13	112

49 Statutory group information required by Schedule III

March 31, 2020:

Sl. No.	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
1	Motherson Sumi Systems Ltd	42	62,443	69	8,988	(4)	(112)	57	8,876
	Subsidiaries:								
	Indian:								
2	Samvardhana Motherson Polymers Limited	0*	529	(0)*	(0)	-	-	(0)*	(0)
3	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	0*	2	0*	2	-	-	0*	2
4	Motherson Polymers Compounding Solution Limited	0*	22	0*	9	(0)*	(0)	0*	9
5	SMR Automotive Systems India ltd.	2	2,699	1	193	(2)	(52)	1	141
6	SMRC Automotive Products India Private Limited	1	1,376	(2)	(239)	-	-	(2)	(239)
	Foreign:								
7	Samvardhana Motherson Reflectec Group Holdings Limited	13	19,970	17	2,194	-	-	14	2,194

Sl. No.	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
8	SMR Automotive Technology Holding, Cyprus ltd.	3	3,933	5	701	-	-	5	701
9	SMR Automotive Brasil LTDA.	1	902	1	160	-	-	1	160
10	SMR Automotive Mirror Technology Holding Hungary KFT	1	2,082	5	608	-	-	4	608
11	SMR Holding Australia Pty Limited	1	1,531	5	610	-	-	4	610
12	SMR Automotive Australia Pty Limited	1	1,184	6	757	(1)	(29)	5	728
13	SMR Automotive Mirror Technology, Hungary BT	0*	583	(3)	(366)	(7)	(178)	(3)	(544)
14	SMR Automotive Systems, France S.A.	(0)*	(293)	(3)	(410)	(1)	(30)	(3)	(440)
15	SMR Automotive System (Thailand) Limited	0*	526	(0)*	(11)	(0)*	(9)	(0)*	(20)
16	SMR Automotive Mirror Parts and Holdings, UK ltd.	8	12,027	16	2,054	(1)	(14)	13	2,041
17	SMR Patents S.à.r.l.	(0)*	(39)	1	174	-	-	1	174
18	SMR Automotive Technology Valencia S.A.U.	0*	199	0*	6	-	-	0*	6
19	SMR Automotive Mirrors UK Limited	1	923	2	219	-	-	1	219
20	SMR Automotive Mirror Systems Holding Deutschland GmbH	1	1,615	6	797	(0)*	(2)	5	796
21	SMR Hyosang Automotive Ltd.	1	2,083	1	151	(0)*	(11)	1	140
22	SMR Automotive Modules Korea Ltd.	2	3,541	(1)	(159)	(11)	(297)	(3)	(456)
23	SMR Automotive Beteiligungen Deutschland GmbH	0*	147	(0)*	(11)	-	-	(0)*	(11)
24	SMR Automotive Systems Spain S.A.U.	1	952	6	766	-	-	5	766
25	SMR Automotive Servicios Mexico S.A de C.V. (Liquidated on July 2, 2019)	-	-	-	-	-	-	-	-
26	SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,746	5	688	(7)	(189)	3	499
27	SMR Automotive Mirror Stuttgart GmbH	1	1,006	4	508	(3)	(76)	3	432
28	SMR Grundbesitz GmbH & Co. KG	0*	256	0*	27	-	-	0*	27
29	SMR Mirror UK Limited	1	1,315	31	3,954	-	-	25	3,954

Sl. No.	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
30	SMR Automotive Systems USA Inc.	3	4,653	29	3,702	-	-	24	3,702
31	SMR Automotive Mirror International USA Inc.	11	15,795	36	4,638	4	94	30	4,731
32	SMR Automotive Vision System Operations USA INC	8	11,353	31	4,041	-	-	26	4,041
33	SMR Automotive Beijing Company Limited	0*	395	0*	12	4	96	1	108
34	SMR Automotive Yancheng Co. Limited	1	769	0*	36	2	62	1	98
35	SMR Automotive Holding Hong Kong Limited	0*	473	(0)*	(2)	-	-	(0)*	(2)
36	SMR Automotive Operations Japan k.k.	(0)*	(63)	(1)	(131)	-	-	(1)	(131)
37	SMR Automotive (Langfang) Co. Limited	0*	64	1	75	-	-	0*	75
38	SMR Automotives Systems Macedonia Dooel Skopje	(0)*	(14)	(0)*	(0)	-	-	(0)*	(0)
39	SMR Automotive Industries RUS Limited Liability Company	0*	22	0*	2	-	-	0*	2
40	Samvardhana Motherson Corp Management Shanghai Co.,Ltd	0*	82	(0)*	(37)	-	-	(0)*	(37)
41	Re-time Pty Limited (Refer note 50)	0*	16	(0)*	(8)	-	-	0*	1
42	Samvardhana Motherson Global (FZE)	0*	177	1	109	-	-	1	109
43	Motherson Innovations Company Limited	1	909	(7)	(895)	-	-	(6)	(895)
44	Motherson Innovations Deutschland GmbH	0*	47	0*	8	-	-	0*	8
45	Motherson Innovations LLC	-	-	-	-	-	-	-	-
46	Samvardhana Motherson Peguform GmbH	(1)	(912)	(10)	(1,234)	-	-	(8)	(1,234)
47	SMP Automotive Exterior GmbH	1	1,823	(1)	(162)	-	-	(1)	(162)
48	SMP Deutschland GmbH	9	13,693	19	2,435	(3)	(75)	15	2,360
49	SMP Logistik Service GmbH	0*	48	0*	1	-	-	0*	1
50	SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,467)	(1)	(78)	-	-	(0)*	(78)
51	Changchun Peguform Automotive Plastics Technology Ltd.	6	9,279	14	1,868	-	-	12	1,868
52	Foshan Peguform Automotive Plastics Technology Co. Ltd.	0*	708	1	75	-	-	0*	75

Sl. No.	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
53	Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	242	1	104	-	-	1	104
54	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	(0)*	(34)	-	-	-	-	-	-
55	SMP Automotive Interiors (Beijing) Co. Ltd.	1	1,290	5	623	-	-	4	623
56	SMP Automotive Technology Iberica S.L.	5	7,964	12	1,517	-	-	10	1,517
57	SMP Automotive Technologies Teruel Sociedad Limitada	0*	233	1	116	-	-	1	116
58	Samvardhana Motherson Peguform Barcelona S.L.U	0*	352	2	283	-	-	2	283
59	SMP Automotive Produtos Automotivos do Brasil Ltda	(1)	(1,937)	(16)	(2,041)	-	-	(13)	(2,041)
60	SMP Automotive Systems México, S. A. de C. V.	4	5,596	3	448	(21)	(557)	(1)	(109)
61	Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	1	755	5	703	-	-	5	703
62	Celulosa Fabril (Cefa) S.A.	1	2,093	5	646	-	-	4	646
63	Modulos Ribera Alta S.L. Unipersonal	2	3,615	6	807	-	-	5	807
64	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	2	2,782	(4)	(564)	-	-	(4)	(564)
65	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	8	0*	0	-	-	0*	0
66	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	0*	449	(2)	(203)	-	-	(1)	(203)
67	SM Real Estate GmbH	0*	148	0*	19	-	-	0*	19
68	Motherson Innovations Lights GmbH & Co. KG	0*	36	(0)*	(45)	-	-	(0)*	(45)
69	Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	-	-	0*	0
70	SMP Automotive Systems Alabama Inc.	(10)	(15,137)	(102)	(13,154)	-	-	(84)	(13,154)
71	Tianjin SMP Automotive Components Co. Ltd.	0*	129	(0)*	(52)	-	-	(0)*	(52)
72	SMRC Automotive Interiors Management B.V.	0*	9	-	-	-	-	-	-
73	SMRC Automotive Holdings B.V.	1	857	(1)	(136)	-	-	(1)	(136)

(All amounts in ₹ Million, unless otherwise stated)

Sl. No.	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
74	SMRC Automotive Holdings Netherlands B.V.	4	6,045	(4)	(566)	-	-	(4)	(566)
75	SMRC Automotives Techno Minority Holdings B.V.	0*	51	0*	3	-	-	0*	3
76	SMRC Smart Automotive Interior Technologies USA, LLC	-	-	-	-	-	-	-	-
77	SMRC Automotive Modules France SAS	3	4,079	22	2,834	0*	8	18	2,842
78	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	0*	704	0*	16	-	-	0*	16
79	SMRC Automotive Interiors Spain S.L.U.	2	3,077	4	537	-	-	3	537
80	SMRC Automotive Interior Modules Croatia d.o.o	0*	10	0*	1	-	-	0*	1
81	Samvardhana Motherson Reydel Autotecc Morocco SAS	0*	247	(1)	(105)	0*	0	(1)	(105)
82	SMRC Automotive Technology RU LLC	(0)*	(188)	(3)	(445)	-	-	(3)	(445)
83	SMRC Smart Interior Systems Germany GmbH	0*	96	0*	44	(1)	(23)	0*	22
84	SMRC Automotive Interiors Products Poland SA	0*	112	0*	7	-	-	0*	7
85	SMRC Automotive Solutions Slovakia s.r.o.	0*	419	(3)	(361)	(0)*	(2)	(2)	(363)
86	SMRC Automotive Holding South America B.V.	0*	395	(0)*	(28)	-	-	(0)*	(28)
87	SMRC Automotive Modules South America Minority Holdings B.V.	0*	29	(0)*	(0)	-	-	(0)*	(0)
88	SMRC Automotive Tech Argentina S.A.	0*	676	(0)*	(61)	-	-	(0)*	(61)
89	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda	0*	461	0*	58	-	-	0*	58
90	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	1	758	(0)*	(24)	1	16	(0)*	(8)
91	SMRC Automotive Interiors Japan Ltd.	0*	13	0*	13	(0)*	(2)	0*	11
92	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.	0*	15	0*	3	-	-	0*	3
93	PT SMRC Automotive Technology Indonesia	(0)*	(42)	0*	16	-	-	0*	16
94	Yujin SMRC Automotive Techno Corp.	1	1,600	3	342	2	42	2	384

Sl. No.	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
95	SMRC Automotives Technology Phil Inc.	(0)*	(27)	(0)*	(20)	-	-	(0)*	(20)
96	PKC Group Oy	7	10,246	8	1,080	-	-	7	1,080
97	PKC Wiring Systems Oy	5	7,795	2	214	-	-	1	214
98	PKC Netherlands Holding B.V (Liquidated on July 31, 2019)	0*	81	0*	4	-	-	0*	4
99	PK Cables Nederland B.V.(Liquidated on July 31, 2019)	(0)*	(0)	(0)*	(3)	-	-	(0)*	(3)
100	Wisetime Oy (become subsidiary w.e.f March 6, 2020, Refer Note 50)	0*	81	0*	4	-	-	0*	4
101	Motherson PKC Harness Systems FZ-LLC (incorporated on July 7, 2019)	(0)*	(0)	(0)*	(3)	-	-	(0)*	(3)
102	PKC Group Poland Sp. z o.o.	(0)*	(623)	(2)	(215)	-	-	(1)	(215)
103	PKC SEGU Systemelektrik GmbH	(0)*	(212)	0*	59	-	-	0*	59
104	PKC Wiring Systems Llc	0*	291	(2)	(214)	-	-	(1)	(214)
105	PKC Eesti AS	10	14,195	8	1,057	-	-	7	1,057
106	TKV-Sarjat Oy	0*	9	0*	2	-	-	0*	2
107	OOO AEK	0*	409	(0)*	(42)	-	-	(0)*	(42)
108	PKC Group Lithuania UAB	0*	459	1	94	-	-	1	94
109	PK Cables do Brasil Ltda	0*	603	(0)*	(14)	-	-	(0)*	(14)
110	PKC Group Canada Inc.	0*	294	(0)*	(14)	-	-	(0)*	(14)
111	PKC Group Mexico S.A. de C.V.	0*	127	-	-	-	-	-	-
112	Project Del Holding S.à.r.l.	1	1,358	(0)*	(3)	-	-	(0)*	(3)
113	AEES Manufacturera, S. De R.L. de C.V	0*	659	0*	0	-	-	0*	0
114	Arneses de Ciudad Juarez, S. de R.L. de C.V.	0*	30	(0)*	(1)	-	-	(0)*	(1)
115	Arneses y Accesorios de México, S. de R.L. de C.V.	0*	110	1	126	-	-	1	126
116	Cableados del Norte II, S. de R.L. de C.V.	0*	201	0*	40	-	-	0*	40
117	Asesoria Mexicana Empresarial, S. de R.L. de C.V.	0*	103	0*	15	-	-	0*	15
118	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	0*	3	-	-	-	-	-	-
119	PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	60	0*	28	-	-	0*	28

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120	PKC Group AEES Commercial, S. de R.L. de C.V.	0*	37	0*	19	-	-	0*	19
121	PKC Group USA Inc.	(9)	(13,152)	(7)	(939)	-	-	(6)	(939)
122	AEES Inc.	9	12,665	22	2,853	-	-	18	2,853
123	AEES Power Systems Limited Partnership	1	2,191	2	241	-	-	2	241
124	Fortitude Industries Inc.	1	855	(0)*	(45)	-	-	(0)*	(45)
125	PKC Vehicle Technology (Hefei) Co., Ltd.	1	956	1	94	-	-	1	94
126	PKC Vehicle technology (Suzhou) Co. Ltd	(0)*	(111)	2	278	-	-	2	278
127	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	4,073	1	154	-	-	1	154
128	Shandong Huakai-PKC Wire Harness Co. Ltd	1	1,163	1	146	-	-	1	146
129	PKC Group APAC Ltd.	(1)	(2,019)	(1)	(191)	-	-	(1)	(191)
130	Kabel Technik Polska Sp. z o.o.	1	848	(0)*	(22)	-	-	(0)*	(22)
131	PKC Group Poland Holding Sp. z o.o.	1	770	0*	13	-	-	0*	13
132	Groclin Luxembourg S.à r.l.	1	1,863	(0)*	(2)	-	-	(0)*	(2)
133	Motherson Rolling Stock Systems GB Limited	1	990	5	681	-	-	4	681
134	MSSL Mideast (FZE)	16	24,457	6	804	-	-	5	804
135	MSSL (GB) Limited	23	34,487	18	2,319	-	-	15	2,319
136	MSSL Mauritius Holdings Limited	4	5,549	5	651	-	-	4	651
137	Samvardhana Motherson Global Holdings Limited Cyprus	50	74,124	0*	14	-	-	0*	14
138	MSSL (S) Pte Limited	1	1,128	0*	6	-	-	0*	6
139	Motherson Electrical Wires Lanka Private Limited	0*	446	2	296	(0)*	(0)	2	296
140	MSSL Consolidated Inc. USA	1	1,753	13	1,688	-	-	11	1,688
141	MSSL Wiring Systems Inc	3	4,539	11	1,425	(8)	(198)	8	1,227
142	Alphabet De Mexico S.A. de C.V	0*	86	0*	57	-	-	0*	57
143	Alphabet De Saltillo S.A. de C.V.	(0)*	(10)	(0)*	(27)	-	-	(0)*	(27)
144	Alphabet De Mexico de Monclova S.A. de C.V	0*	12	(0)*	(0)	-	-	(0)*	(0)
145	MSSL Wirings Juarez S.A. de C.V.	0*	5	0*	4	-	-	0*	4

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146	MSSL Japan Limited	0*	27	(0)*	(28)	-	-	(0)*	(28)
147	MSSL Mexico S.A. De C.V.	0*	710	1	122	(0)*	(10)	1	112
148	MSSL WH System (Thailand) Co. Ltd.	0*	394	1	124	-	-	1	124
149	MSSL Korea WH Limited	(0)*	(13)	(0)*	(5)	-	-	(0)*	(5)
150	MSSL Ireland Private Limited	0*	32	0*	2	-	-	0*	2
151	MSSL s.r.l. Unipersonale	0*	14	0*	3	-	-	0*	3
152	MSSL Estonia WH OÜ	1	1,889	15	1,943	-	-	12	1,943
153	MSSL Australia Pty Limited	0*	267	1	116	-	-	1	116
154	Motherson Elastomers Pty Limited	0*	372	1	113	-	-	1	113
155	Motherson Investments Pty Limited	0*	14	0*	5	-	-	0*	5
156	MSSL Global RSA Module Engineering Limited	1	1,361	6	745	-	-	5	745
157	Vacuform 2000 (Proprietary) Limited	0*	37	0*	6	-	-	0*	6
158	MSSL GMBH	1	1,225	(0)*	(44)	-	-	(0)*	(44)
159	Samvardhana Motherson Invest Deutschland GmbH	0*	70	0*	0	-	-	0*	0
160	MSSL Advanced Polymers s.r.o.	0*	488	0*	46	-	-	0*	46
161	Motherson Techno Precision GmbH	0*	55	(0)*	(25)	-	-	(0)*	(25)
162	Samvardhana Motherson Polymers Management Germany GMBH (Merged with MSSL GmbH from August 30, 2019)	-	-	-	-	-	-	-	-
163	Motherson Techno Precision México, S.A. de C.V	(0)*	(118)	0*	9	-	-	0*	9
164	MSSL Manufacturing Hungary Kft	0*	39	0*	3	-	-	0*	3
165	Motherson Air Travel Pvt Ltd	(0)*	(513)	(2)	(197)	-	-	(4)	(566)
166	MSSL Tooling (FZE)	1	1,656	4	458	-	-	3	458
167	Motherson Wiring System (FZE)	(0)*	(115)	0*	6	-	-	0*	6
168	Global Environment Management (FZC)	(0)*	(62)	0*	6	-	-	0*	6
169	Samvardhana Motherson Automotive Systems Group B.V.	65	96,929	38	4,858	11	288	33	5,146
170	MSSL M Tooling Ltd	-	-	-	-	-	-	-	-

(All amounts in ₹ Million, unless otherwise stated)

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171	Motherson Ossia Innovations llc.	-	-	-	-	-	-	-	-
	Associates (Investment as per Equity method)								
	Indian:								
172	SAKS Ancillaries Limited	0*	42	0*	-	-	-	0*	-
	Foreign:								
173	Hubei Zhengao PKC Automotive Wiring Company Ltd.	1	825	1	92	-	-	1	92
	Joint Ventures (Investment as per Equity method)								
	Indian:								
174	Kyungshin Industrial Motherson Limited	1	2,077	2	198	(0)*	(5)	1	193
175	Calsonic Kansei Motherson Auto Products Private Limited	0*	627	0*	21	(0)*	(0)	0*	20
	Foreign:								
176	Eissmann SMP Automotive Interieur Slovensko s.r.o	0*	319	(1)	(189)	-	-	(1)	(189)
177	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	3	3,726	3	398	-	-	3	398
178	Chongqing SMR Huaxiang Automotive Products	1	806	0*	35	-	-	0*	35
179	Tianjin SMR Huaxiang Automotive Part Co. Limited	0*	43	(0)*	(1)	-	-	(0)*	(1)
	Minority Interest in All Subsidiaries	(24)	(35,650)	(10)	(1,244)	(31)	(822)	(13)	(2,066)

March 31, 2019:

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1	Motherson Sumi Systems Ltd	45	64,381	39	8,137	30	(56)	39	8,082
	Subsidiaries:								
	Indian:								
2	Samvardhana Motherson Polymers Limited	0*	525	(0)*	(1)	-	-	(0)*	(1)

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3	Motherson Innovations Tech Limited (esrt MSSL Automobile Component Limited)	0*	0	(0)*	(0)	-	-	(0)*	(0)
4	Motherson Polymers Compounding Solution Limited	0*	13	0*	7	0*	(0)	0*	7
5	SMR Automotive Systems India ltd.	2	2,604	2	512	123	(226)	1	286
6	SMRC Automotive Products India Private Limited	1	1,615	1	112	-	-	1	112
	Foreign:								
7	Samvardhana Motherson Reflectec Group Holdings Limited	12	16,826	12	2,475	-	-	12	2,475
8	SMR Automotive Technology Holding, Cyprus ltd.	4	5,450	3	641	-	-	3	641
9	SMR Automotive Brasil LTDA.	1	931	0*	80	510	(934)	(4)	(854)
10	SMR Automotive Mirror Technology Holding Hungary KFT	2	2,431	4	833	344	(630)	1	203
11	SMR Holding Australia Pty Limited	1	1,621	4	764	(181)	332	5	1,096
12	SMR Automotive Australia Pty Limited	1	1,140	3	682	52	(95)	3	587
13	SMR Automotive Mirror Technology, Hungary BT	1	1,268	(12)	(2,603)	(29)	54	(12)	(2,549)
14	SMR Automotive Systems, France S.A.	0*	120	(3)	(731)	23	(42)	(4)	(772)
15	SMR Automotive System (Thailand) Limited	0*	504	0*	9	(54)	98	1	107
16	SMR Automotive Mirror Parts and Holdings, UK ltd.	8	11,084	12	2,579	6	(12)	12	2,568
17	SMR Patents S.à.r.l.	(0)*	(208)	(1)	(214)	-	-	(1)	(214)
18	SMR Automotive Technology Valencia S.A.U.	0*	180	0*	5	-	-	0*	5
19	SMR Automotive Mirrors UK Limited	0*	539	1	282	-	-	1	282
20	SMR Automotive Mirror Systems Holding Deutschland GmbH	1	2,057	8	1,628	-	-	8	1,628
21	SMR Hyosang Automotive Ltd.	1	1,876	2	323	(78)	142	2	465

 (All amounts in ₹ Million, unless otherwise stated)

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22	SMR Automotive Modules Korea Ltd.	3	3,667	1	133	59	(108)	0*	25
23	SMR Automotive Beteiligungen Deutschland GmbH	0*	148	(0)*	(53)	-	-	(0)*	(53)
24	SMR Automotive Systems Spain S.A.U.	0*	616	3	597	-	-	3	597
25	SMR Automotive Servicios Mexico S.A. de C.V. (Liquidated on July 2, 2019)	0*	48	(0)*	(0)	8	(15)	(0)*	(15)
26	SMR Automotive Vision Systems Mexico S.A. de C.V.	2	2,848	3	643	(127)	233	4	876
27	SMR Automotive Mirror Stuttgart GmbH	0*	432	(3)	(539)	45	(82)	(3)	(621)
28	SMR Grundbesitz GmbH & Co. KG	0*	212	(0)*	(23)	-	-	(0)*	(23)
29	SMR Mirror UK Limited	1	1,389	5	1,052	-	-	5	1,052
30	SMR Automotive Systems USA Inc.	4	5,162	20	4,246	(506)	926	25	5,171
31	SMR Automotive Mirror International USA Inc.	10	14,588	24	5,034	(312)	570	27	5,604
32	SMR Automotive Vision System Operations USA INC	4	6,449	10	2,137	(452)	827	14	2,964
33	SMR Automotive Beijing Company Limited	0*	369	0*	6	(84)	153	1	159
34	SMR Automotive Yancheng Co. Limited	0*	706	(0)*	(19)	(85)	155	1	136
35	SMR Automotive Holding Hong Kong Limited	0*	441	(0)*	(1)	-	-	(0)*	(1)
36	SMR Automotive Operations Japan k.k.	0*	70	0*	10	(1)	2	0*	12
37	SMR Automotive (Langfang) Co. Limited	(0)*	(14)	(0)*	(23)	(37)	68	0*	46
38	SMR Automotives Systems Macedonia Dooel Skopje	(0)*	(13)	0*	0	-	-	0*	0
39	SMR Automotive Industries RUS Limited Liability Company	0*	20	0*	0	3	(5)	(0)*	(4)
40	Samvardhana Motherson Peguform GmbH	(1)	(1,336)	(8)	(1,746)	-	-	(8)	(1,746)
41	SMP Automotive Exterior GmbH	1	1,546	(1)	(220)	-	-	(1)	(220)
42	SMP Deutschland GmbH	11	15,500	29	5,998	22	(40)	29	5,958

Sl. No.	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
43	SMP Logistik Service GmbH	0*	44	0*	1	-	-	0*	1
44	SMP Automotive Solutions Slovakia s.r.o.	(1)	(1,289)	(0)*	(1)	-	-	(0)*	(1)
45	Changchun Peguform Automotive Plastics Technology Ltd.	6	8,310	13	2,687	-	-	13	2,687
46	Foshan Peguform Automotive Plastics Technology Co. Ltd.	0*	278	0*	65	-	-	0*	65
47	Shenyang SMP Automotive Plastic Component Co. Ltd.	0*	129	(0)*	(78)	-	-	(0)*	(78)
48	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	(0)*	(33)	0*	2	-	-	0*	2
49	SMP Automotive Interiors (Beijing) Co. Ltd.	1	977	3	575	-	-	3	575
50	SMP Automotive Technology Iberica S.L.	4	5,421	3	574	-	-	3	574
51	SMP Automotive Technologies Teruel Sociedad Limitada	0*	209	1	111	-	-	1	111
52	Samvardhana Motherson Peguform Barcelona S.L.U	0*	389	2	355	-	-	2	355
53	SMP Automotive Produtos Automotivos do Brasil Ltda	(1)	(1,261)	(8)	(1,662)	-	-	(8)	(1,662)
54	SMP Automotive Systems México, S. A. de C. V.	4	5,351	6	1,297	(434)	795	10	2,092
55	Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	0*	553	2	422	-	-	2	422
56	Celulosa Fabril (Cefa) S.A.	2	2,476	3	734	-	-	4	734
57	Modulos Ribera Alta S.L. Unipersonal	2	2,570	2	505	-	-	2	505
58	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	2	3,145	(3)	(733)	-	-	(4)	(733)
59	Samvardhana Motherson Innovative Autosystems Holding Company B.V.	0*	7	0*	0	-	-	0*	0

Sl. No.	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
60	Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V.	0*	701	0*	87	-	-	0*	87
61	SM Real Estate GmbH	0*	118	0*	40	-	-	0*	40
62	Motherson Innovations Lights GmbH & Co. KG	0*	77	(0)*	(27)	-	-	(0)*	(27)
63	Motherson Innovations Lights Verwaltungs GmbH	0*	2	0*	0	-	-	0*	0
64	SMP Automotive Systems Alabama Inc.	(1)	(744)	(32)	(6,701)	-	-	(32)	(6,701)
65	Tianjin SMP Automotive Components Co. Ltd.	0*	177	(1)	(134)	-	-	(1)	(134)
66	SMRC Automotive Interiors Management B.V.	0*	10	4	750	-	-	4	750
67	SMRC Automotive Holdings B.V.	1	1,029	24	5,006	-	-	24	5,006
68	SMRC Automotive Holdings Netherlands B.V.	4	6,184	9	1,866	-	-	9	1,866
69	SMRC Automotives Techno Minority Holdings B.V.	0*	44	0*	7	-	-	0*	7
70	SMRC Smart Automotive Interior Technologies USA, LLC	-	-	-	-	-	-	-	-
71	SMRC Automotive Modules France SAS	1	998	1	168	0*	(0)	1	167
72	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	0*	639	0*	5	-	-	0*	5
73	SMRC Automotive Interiors Spain S.L.U.	2	2,335	3	589	0*	0	3	589
74	SMRC Automotive Interior Modules Croatia d.o.o	0*	8	0*	1	-	-	0*	1
75	Samvardhana Motherson Reydel Autotecc Morocco SAS	0*	338	0*	15	-	-	0*	15
76	SMRC Automotive Technology RU LLC	0*	222	0*	5	-	-	0*	5
77	SMRC Smart Interior Systems Germany GmbH	0*	57	0*	1	10	(17)	(0)*	(16)

Sl. No.	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
78	SMRC Automotive Interiors Products Poland SA	0*	104	(0)*	(4)	-	-	(0)*	(4)
79	SMRC Automotive Solutions Slovakia s.r.o.	1	747	(0)*	(4)	0*	(0)	(0)*	(5)
80	SMRC Automotive Holding South America B.V.	0*	308	(0)*	(25)	-	-	(0)*	(25)
81	SMRC Automotive Modules South America Minority Holdings B.V.	0*	29	(0)*	(1)	-	-	(0)*	(1)
82	SMRC Automotive Tech Argentina S.A.	0*	542	(0)*	(39)	-	-	(0)*	(39)
83	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda	0*	708	0*	70	-	-	0*	70
84	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	1	730	1	171	(4)	7	1	178
85	SMRC Automotive Interiors Japan Ltd.	(0)*	(0)	(0)*	(10)	1	(1)	(0)*	(11)
86	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.	0*	12	0*	2	-	-	0*	2
87	PT SMRC Automotive Technology Indonesia	(0)*	(60)	(0)*	(4)	-	-	(0)*	(4)
88	Yujin SMRC Automotive Techno Corp.	1	1,463	0*	60	(8)	15	0*	75
89	SMRC Automotives Technology Phil Inc.	(0)*	(4)	(0)*	(24)	-	-	(0)*	(24)
90	PKC Group Oy	6	9,268	(1)	(225)	-	-	(1)	(225)
91	PKC Netherlands Holding B.V (Liquidated on July 31, 2019)	1	931	(0)*	(36)	-	-	(0)*	(36)
92	PK Cables Nederland B.V. ((Liquidated on July 31, 2019)	0*	5	(0)*	(0)	-	-	(0)*	(0)
93	PKC Wiring Systems Oy	5	7,845	15	3,209	-	-	15	3,209
94	PKC Group Poland Sp. z o.o.	(0)*	(396)	(1)	(291)	-	-	(1)	(291)
95	PKC SEGU Systemelektrik GmbH	(0)*	(255)	(0)*	(60)	-	-	(0)*	(60)
96	PKC Wiring Systems Llc	0*	482	0*	57	-	-	0*	57
97	PKC Eesti AS	8	12,173	7	1,499	-	-	7	1,499
98	TKV-Sarjat Oy	0*	6	(0)*	(1)	-	-	(0)*	(1)
99	OOO AEK	0*	487	1	206	-	-	1	206

(All amounts in ₹ Million, unless otherwise stated)

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		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
100	PKC Group Lithuania UAB	0*	334	1	128	-	-	1	128
101	PK Cables do Brasil Ltda	1	990	(0)*	(5)	-	-	(0)*	(5)
102	PKC Group Canada Inc.	0*	297	0*	8	-	-	0*	8
103	PKC Group Mexico S.A. de C.V.	0*	142	-	-	-	-	-	-
104	Project Del Holding S.à.r.l.	1	1,267	3	559	-	-	3	559
105	AEES Manufacturera, S. De R.L. de C.V	1	738	0*	99	-	-	0*	99
106	Arneses de Ciudad Juarez, S. de R.L. de C.V.	0*	38	0*	11	-	-	0*	11
107	Arneses y Accesorios de México, S. de R.L. de C.V.	0*	29	1	157	-	-	1	157
108	Cableados del Norte II, S. de R.L. de C.V.	0*	204	0*	52	-	-	0*	52
109	Asesoria Mexicana Empresarial, S. de R.L. de C.V.	0*	104	0*	15	-	-	0*	15
110	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	0*	3	(0)*	(0)	-	-	(0)*	(0)
111	PKC Group de Piedras Negras, S. de R.L. de C.V.	0*	50	0*	27	-	-	0*	27
112	PKC Group AEES Commercial, S. de R.L. de C.V.	0*	23	0*	1	-	-	0*	1
113	PKC Group USA Inc.	(8)	(11,122)	(5)	(1,017)	-	-	(5)	(1,017)
114	AEES Inc.	7	9,437	13	2,722	-	-	13	2,722
115	AEES Power Systems Limited Partnership	1	1,770	1	227	-	-	1	227
116	Fortitude Industries Inc.	1	826	0*	47	-	-	0*	47
117	PKC Vehicle Technology (Hefei) Co., Ltd.	1	827	(0)*	(48)	-	-	(0)*	(48)
118	PKC Vehicle technology (Suzhou) Co. Ltd	(0)*	(637)	(1)	(155)	-	-	(1)	(155)
119	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	3	3,776	3	594	-	-	3	594
120	Shandong Huakai-PKC Wire Harness Co. Ltd	0*	510	0*	12	-	-	0*	12
121	PKC Group APAC Ltd.	(1)	(1,634)	(1)	(178)	-	-	(1)	(178)
122	Kabel Technik Polska Sp. z o.o.	1	871	(0)*	(79)	-	-	(0)*	(79)

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123	PKC Group Poland Holding Sp. z o.o.	1	745	(0)*	(23)	-	-	(0)*	(23)
124	Groclin Luxembourg S.à r.l.	1	1,736	(0)*	(2)	-	-	(0)*	(2)
125	Motherson Rolling Stock Systems GB Limited	0*	270	-	-	-	-	-	-
126	MSSL Mideast (FZE)	17	24,303	4	767	-	-	4	767
127	MSSL (GB) Limited	21	30,805	5	1,126	-	-	5	1,126
128	MSSL Mauritius Holdings Limited	3	4,525	3	560	-	-	3	560
129	Samvardhana Motherson Global Holdings Limited Cyprus	48	68,987	(0)*	(53)	-	-	(0)*	(53)
130	MSSL (S) Pte Limited	1	1,077	1	162	-	-	1	162
131	Motherson Electrical Wires Lanka Private Limited	0*	548	2	365	(0)*	1	2	366
132	MSSL Consolidated Inc. USA	1	995	(1)	(107)	-	-	(1)	(107)
133	MSSL Wiring Systems Inc	3	3,995	7	1,531	3	(6)	7	1,526
134	Alphabet De Mexico S.A. de C.V	0*	133	0*	78	-	-	0*	78
135	Alphabet De Saltillo S.A. de C.V.	0*	63	0*	55	-	-	0*	55
136	Alphabet De Mexico de Monclova S.A. de C.V	0*	75	0*	66	-	-	0*	66
137	MSSL Wirings Juarez S.A. de C.V.	0*	2	0*	2	-	-	0*	2
138	MSSL Japan Limited	0*	51	(0)*	(40)	-	-	(0)*	(40)
139	MSSL Mexico S.A. De C.V.	0*	541	0*	77	2	(4)	0*	73
140	MSSL WH System (Thailand) Co. Ltd.	0*	254	1	111	-	-	1	111
141	MSSL Korea WH Limited	(0)*	(7)	(0)*	(3)	-	-	(0)*	(3)
142	MSSL Ireland Private Limited	0*	28	0*	0	-	-	0*	0
143	MSSL s.r.l. Unipersonale	0*	10	0*	3	-	-	0*	3
144	MSSL Estonia WH OÜ	(0)*	(154)	1	141	-	-	1	141
145	MSSL Australia Pty Limited	0*	164	0*	76	-	-	0*	76
146	Motherson Elastomers Pty Limited	0*	390	0*	99	-	-	0*	99

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147	Motherson Investments Pty Limited	0*	9	0*	5	-	-	0*	5
148	MSSL Global RSA Module Engineering Limited	1	1,367	4	792	-	-	4	792
149	Vacuform 2000 (Proprietary) Limited	0*	36	0*	13	-	-	0*	13
150	MSSL GMBH	1	1,039	(0)*	(72)	-	-	(0)*	(72)
151	Samvardhana Motherson Invest Deutschland GmbH	0*	70	0*	0	-	-	0*	0
152	MSSL Advanced Polymers s.r.o.	0*	439	(0)*	(87)	-	-	(0)*	(87)
153	Motherson Techno Precision GmbH	0*	74	0*	1	-	-	0*	1
154	Samvardhana Motherson Polymers Management Germany GMBH (Merged with MSSL GmbH from August 30, 2019)	0*	2	(0)*	(0)	-	-	(0)*	(0)
155	Motherson Techno Precision México, S.A. de C.V	(0)*	(138)	0*	36	-	-	0*	36
156	MSSL Manufacturing Hungary Kft	0*	34	(0)*	(96)	-	-	(0)*	(96)
157	Motherson Air Travel Pvt Ltd	(0)*	(283)	(1)	(181)	-	-	(1)	(181)
158	MSSL Tooling (FZE)	1	1,090	1	273	-	-	1	273
159	Motherson Wiring System (FZE)	(0)*	(114)	0*	4	-	-	0*	4
160	Global Environment Management (FZC)	(0)*	(71)	0*	1	-	-	0*	1
161	Global Environment Management Australia Pty Limited (liquidated on April 20, 2018)	-	-	-	-	-	-	-	-
162	Samvardhana Motherson Global (FZE)	0*	118	0*	95	(1)	1	0*	96
163	Motherson Innovations Company Limited	1	1,262	(4)	(839)	-	-	(4)	(839)
164	Motherson Innovations Deutschland GmbH	0*	36	0*	8	-	-	0*	8
165	Motherson Innovations LLC	-	-	-	-	-	-	-	-

Sl. No.	Name of entity	Net Assets [1]		Share in profit or (loss) [1]		Share in other comprehensive income[1]		Share in total comprehensive income[1]	
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166	Samvardhana Motherson Corp Management Shanghai Co.,Ltd	0*	77	(0)*	(4)	(2)	3	(0)*	(1)
167	Samvardhana Motherson Automotive Systems Group B.V.	58	84,458	42	8,818	166	(303)	41	8,515
168	MSSL M Tooling Ltd	-	-	-	-	-	-	-	-
169	Motherson Ossia Innovations llc.	-	-	-	-	-	-	-	-
	Associates (Investment as per Equity method)								
	Indian:								
170	SAKS Ancillaries Limited	0*	42	0*	4	-	-	0*	4
	Foreign:								
171	Hubei Zhengao PKC Automotive Wiring Company Ltd.	1	842	1	161	-	-	1	161
172	Re-time Pty Limited	0*	7	0*	2	-	-	0*	2
	Joint Ventures (Investment as per Equity method)								
	Indian:								
173	Kyungshin Industrial Motherson Limited	1	1,988	2	346	(1)	1	2	347
174	Calsonic Kansei Motherson Auto Products Private Limited	0*	625	0*	47	0*	(1)	0*	47
	Foreign:								
175	Eissmann SMP Automotive Interieur Slovensko s.r.o	0*	415	(0)*	(15)	-	-	(0)*	(15)
176	Ningbo SMR Huaxiang Automotive Mirrors Co. Ltd.	2	3,441	2	518	-	-	2	518
177	Chongqing SMR Huaxiang Automotive Products	1	1,032	0*	67	-	-	0*	67
178	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)

[1] The aforementioned amounts are before group adjustments and intercompany eliminations

* is below the rounding off norm adopted by the Company

50 Business combination

A) Acquisition of Motherson Rolling Stock Systems GB Limited

One of the subsidiaries of the group, Motherson Rolling Stock Systems GB Limited, signed a definitive agreement with Bombardier Transportation (Rolling Stock) UK Ltd. ("Bombardier") on February 28, 2019 and acquired 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. effective form April 01, 2019

Through this, MSSL will expand its supply of electricals and wiring systems to Bombardier Transportation, to cover UK rolling stock projects.

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in ₹ Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	54
Intangible assets	509
Inventories	561
Deferred tax liabilities (net)	(102)
Net identifiable assets acquired	**1,022**

ii) Calculation of goodwill / (gain on bargain purchase)

	Amount in ₹ Million
Purchase consideration	851
Net identifiable assets acquired	1,022
Goodwill / (gain on bargain purchase)	**(171)**

The Group recognised gain on bargain purchase of ₹ 171 million (GBP 1.88 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.

B) Acquisition of Wisetime Oy

On March 06, 2020, the group through one of its step down subsidiary (PKC Group Ltd) additionally acquired 81% shares of Wisetime Oy. The Group already held 19% shares of Wisetime Oy, therefore it now became 100% subsidiary of the Group.

Wisetime Oy is a Finnish software company founded in 1991 and has long-term experience in developing industrial Enterprise Resource Planning (ERP) systems.

Wisetime now being part of the Group, will provide growth opportunities and enhances Group's diversification into information technology sector.

i) **Assets and Liabilities recognized as result of acquisition are as follows:**

Particulars	Amount in ₹ Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	15
Intangible assets	97
Trade receivables	34
Cash and cash equivalents	74
Borrowings	(13)
Deferred tax liabilities (net)	(20)
Trade payables	(3)
Other current liabilities	(31)
Net identifiable assets acquired	**153**

ii) **Calculation of goodwill / (gain on bargain purchase)**

	Amount in ₹ Million
Purchase consideration (including fair value of shares held)	444
Net identifiable assets acquired	153
Goodwill / (gain on bargain purchase)	**291**

The Group had initially recognised goodwill amounting to ₹ 291 million (EUR 3.5 million) after provisional fair valuation of its Assets and liabilities, recorded in these consolidated financial statements.

C) Acquisition of Re-Time Pty Limited

On August 08, 2019 the Group acquired 71.4% stake in Re-Time Pty Limited

Re-Time Pty Ltd was formed in 2010 to help people re-time their body clocks and improve sleep through Re-Timer light therapy glasses. The company is dedicated to helping people sleep, and to feel and perform better by using the latest sleep science. Re-Timer is assembled in a state of the art clean room, in Adelaide, Australia. Re-Timer has been sold in more than 40 different countries worldwide and is the world's number one selling wearable light therapy device.

The acquisition enhances Group's diversification into health sector.

i) Assets and Liabilities recognized as result of acquisition are as follows:

Particulars	Amount in ₹ Million
ASSETS / (LIABILITIES)	
Property, plant and equipment	11
Intangible assets	3
Inventories	11
Trade receivables	0
Cash and cash equivalents	13
Borrowings	(5)
Provisions	(2)
Accrued employee labitities	(1)
Trade payables	(2)
Net identifiable assets acquired	**28**
- thereof attributable to non-controlling interests	8
Total identifiable net assets atributable to the Group	**20**

ii) Calculation of goodwill / (gain on bargain purchase)

	Amount in ₹ Million
Purchase consideration	20
Net identifiable assets acquired	20
Goodwill / (Bargain gain)	**-**

D) 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 / (LIABILITIES)	
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)
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 / (gain on bargain purchase)

	Amount in ₹ Million
Purchase consideration	13,767
Non controlling interest acquired	1,128
Net identifiable assets acquired	(15,863)
Gain on bargain purchase	**(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.

51 During the year, the Group has recognised an expense of ₹ 74 million (31 March 2019: Nil) toward its proportionate share of costs allocated by the Samvardhana Employees Welfare Trust ('the Trust') constituted by Samvardhana Motherson International Limited for providing share scheme and other benefits to the employees of the participating companies. The trust helps the employees of participating companies to dispose off shares at fair value.

The Company has also given a loan amounting to ₹ 125 million (31 March 2019: Nil) to the Trust and is outstanding as on March 31, 2020. The loan carries interest rate of 9.5% p.a. and is repayable after 5 years from the date of loan.

52 Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Group has evaluated the impact of COVID – 19 resulting from (i) the possibility of constraints to fulfil its performance obligations under the contract with customers;(ii) revision of estimations of costs to complete the contract because of additional efforts; (iii) termination or deferment of contracts by customers. The Group has concluded that the impact of COVID – 19 is not material based on these estimates. Due to the nature of the pandemic, the Group will continue to monitor developments to identify significant uncertainties relating to revenue in future periods.

The Group has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, unbilled revenues, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future demand of its products. The Group has performed analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

53 The Board of Directors in its meeting dated January 30, 2020, has constituted Sub Committee to examine and submit proposal to the Board for reorganization of business within the group which will, inter alia, demerge domestic wiring harness business of the Company into a newly formed legal entity with mirror shareholding, which shall be listed and consolidating shareholding in Samvardhana Motherson Automotive Systems Group B.V. ("SMRP BV") in MSSL through a process of merger to bring 49% stake held by Samvardhana Motherson International Limited ("SAMIL") in SMRP BV into MSSL. The sub-committee as formed by the Board of directors is currently evaluating all options which will be submitted to the board for their final approval and necessary actions thereafter.

54 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: Gurugram
Date: June 02, 2020

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: June 02, 2020

(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 / Earnings transfer to owners	% of shareholding	Country
1	MSSL Mideast (FZE)	March 31, 2020		EUR	83.32	7,851	16,607	32,065	7,608	4,763	3,478	850	-	850	2,500	100%	UAE
2	Motherson Electrical Wires Lanka Private Limited	March 31, 2020		USD	75.55	11	435	528	82	-	1,461	362	46	316	468	100%	Sri Lanka
3	MSSL (GB) Limited	March 31, 2020		GBP	93.82	21,305	13,182	44,471	9,984	2,381	1,065	2,495	80	2,415	-	100%	UK
4	MSSL Japan Limited	March 31, 2020		JPY	0.70	12	15	760	733	-	1,302	-30	0	-30	-	100%	Japan
5	MSSL WH System (Thailand) Co., Ltd	March 31, 2020		THB	2.31	346	48	1,303	909	-	1,326	124	-1	125	-	100%	Thailand
6	MSSL Korea WH Limited	March 31, 2020		KRW	0.06	12	-25	136	149	-	163	-6	-	-6	-	100%	Korea
7	MSSL Mexico S.A. De C.V.	December 31, 2019		MXP	3.19	364	145	724	216	-	1,527	152	46	106	-	100%	Mexico
8	MSSL Wiring System Inc	March 31, 2020		USD	75.55	2,576	1,963	9,024	4,485	-	17,618	1,830	311	1,519	1,889	100%	USA
9	Alphabet de Mexico, S.A. de C.V.	December 31, 2019	August 1, 2014	MXP	3.19	6	84	446	356	-	1,783	114	30	84	83	100%	Mexico
10	Alphabet de Mexico de Monclova, S.A. de C.V.	December 31, 2019	August 1, 2014	MXP	3.19	0	40	301	260	-	1,301	67	27	40	55	100%	Mexico
11	Alphabet de Saltillo, S.A. de C.V.	December 31, 2019	August 1, 2014	MXP	3.19	0	63	498	435	-	1,447	85	23	63	43	100%	Mexico
12	MSSL Wirings Juarez, S.A. de C.V.	December 31, 2019		MXP	3.19	0	4	11	7	-	92	5	3	2	-	100%	Mexico
13	MSSL Tooling (FZE)	March 31, 2020		EUR	83.32	3	1,653	2,229	573	-	1,613	485	-	485	-	100%	UAE
14	MSSL Global RSA Module Engineering Limited	March 31, 2020	November 1, 2009	ZAR	4.23	254	1,107	4,456	3,094	-	5,128	909	252	657	508	100%	South Africa
15	Vacuform 2000 (Proprietary) Limited	March 31, 2020	July 1, 2011	ZAR	4.23	5	33	507	470	-	724	-7	-12	5	-	51%	South Africa
16	MSSL Australia Pty Limited	March 31, 2020		AUD	46.35	162	105	286	19	0	-	115	3	112	-	80%	Australia
17	Motherson Elastomers Pty Limited	March 31, 2020		AUD	46.35	0	372	816	444	-	2,280	155	46	108	104	100%	Australia
18	Motherson Investments Pty Limited	March 31, 2020		AUD	46.35	0	14	153	140	-	-	9	4	5	-	100%	Australia
19	MSSL Ireland Private Limited	March 31, 2020	March 25, 2002	EUR	83.32	4	28	53	20	-	-	3	0	3	-	100%	Ireland
20	MSSL Mauritius Holdings Limited	March 31, 2020		EUR	83.32	3,151	2,397	5,557	9	2,100	-	718	30	688	-	100%	Mauritius

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21	MSSL (S) Pte Limited	March 31, 2020		SGD	53.15	1,092	36	1,131	3	869	-	7	-	7	-	100%	Singapore
22	Motherson Wiring System (FZE)	March 31, 2020		EUR	83.32	3	-118	109	224	-	-	7	-	7	-	100%	UAE
23	Samvardhana Motherson Global Holdings Ltd.	March 31, 2020		EUR	83.32	168	73,956	88,272	14,149	74,904	-	15	-	15	-	51%	Cyprus
24	Samvardhana Motherson Polymers Limited	March 31, 2020		INR	1.00	38	492	530	0	528	-	-0	-	-0	-	51%	India
25	Motherson Innovations Tech Limited	March 31, 2020		INR	1.00	1	1	18	16	-	22	2	-	2	-	100%	India
26	Motherson Polymers Compounding Solution Limited	March 31, 2020		INR	1.00	118	-96	23	1	-	-	9	-	9	-	100%	India
27	MSSL Consolidated Inc.	March 31, 2020		USD	75.55	2,652	-899	2,609	856	2,576	-	1,044	-	1,044	1,133	100%	USA
28	MSSL Estonia WH OÜ	March 31, 2020		EUR	83.32	-	1,889	47,680	45,791	47,578	-	2,055	-	2,055	-	100%	Estonia
29	Global Environment Management (FZC)	March 31, 2020		AUD	46.35	324	-386	17	78	-	-40	6	-	6	-	100%	UAE
30	MSSL GmbH	December 31, 2019		EUR	83.32	21	1,201	6,357	5,135	698	2,524	-37	-	-37	-	100%	Germany
31	Samvardhana Motherson Invest Deutschland GmbH	December 31, 2019		EUR	83.32	17	52	75	6	-	12	4	-	4	4	100%	Germany
32	MSSL Advanced Polymers s.r.o.	December 31, 2019	December 01, 2006	CZK	3.05	6	430	1,459	1,022	-	1,938	51	-5	56	-	100%	Czech Republic
33	Motherson Techno Precision GmbH	December 31, 2019		EUR	83.32	83	-32	633	582	0	167	-5	-	-5	-	100%	Germany
34	MSSL s.r.l. Unipersonale	December 31, 2019		EUR	83.32	1	14	22	8	-	-34	4	1	3	-	100%	Italy
35	Motherson Air Travel Pvt Ltd	March 31, 2020		EUR	83.32	-	-513	1,278	1,791	-	-43	-208	-	-208	-	100%	Ireland
36	Motherson Techno Precision México, S.A. de C.V	December 31, 2019		MXP	3.19	0	-100	464	563	-	622	112	36	76	-	100%	Mexico
37	MSSL Manufacturing Hungary Kft	March 31, 2020		EUR	83.32	1	38	2,595	2,556	-	1,178	19	16	3	-	100%	Hungary
38	Samvardhana Motherson Automotive Systems Group B.V.	March 31, 2020		EUR	83.32	6	96,923	191,866	94,937	107,080	-	5,337	-246	5,583	-	100%	Netherlands
39	Samvardhana Motherson Peguform GmbH	March 31, 2020		EUR	83.32	2	-893	12,475	13,365	10,179	-	-497	789	-1,286	-	100%	Germany
40	Samvardhana Motherson Innovative Autosystems Holding Company BV	March 31, 2020		EUR	83.32	8	0	9	1	-	-	0	-	0	-	100%	Netherlands

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41	SMP Automotive Interiors (Beijing) Co. Ltd.	December 31, 2019		CNY	10.67	454	754	2,450	1,243	-	8,064	832	151	681	373	100%	China
42	SMP Automotive Exterior GmbH	March 31, 2020		EUR	83.32	2	1,392	9,079	7,686	2	12,401	-541	9	-550	-550	100%	Germany
43	Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	March 31, 2020		EUR	83.32	250	2,142	7,523	5,131	-	13,656	-632	-1	-631	-	100%	Germany
44	SM Real Estate GmbH	March 31, 2020		EUR	83.32	2	159	880	718	-	151	21	3	18	-	100%	Germany
45	Samvardhana Motherson Innovative Autosystems de México, S.A. de C.V.	December 31, 2019	January 30, 2015	MXP	3.19	794	-284	1,321	810	-	890	-55	84	-139	-	100%	Mexico
46	SMP Deutschland GmbH	March 31, 2020	November 23, 2011	EUR	83.32	2	6,178	50,571	44,391	1,138	103,153	1,901	105	1,796	1,796	100%	Germany
47	SMP Automotive Solutions Slovakia s.r.o.	March 31, 2020	November 23, 2011	EUR	83.32	0	-1,590	385	1,975	-	1,641	-89	-	-89	-	100%	Slovakia
48	SMP Logistik Service GmbH	March 31, 2020	November 23, 2011	EUR	83.32	2	46	93	45	-	452	1	0	1	-	100%	Germany
49	Changchun Peguform Automotive Plastics Technology Co., Ltd.	December 31, 2019	November 23, 2011	CNY	10.67	886	6,088	15,379	8,405	960	19,504	2,242	316	1,926	2,347	50% +1share	China
50	SMP Automotive Technology Management Services (Changchun) Co. Ltd.	December 31, 2019	November 23, 2011	CNY	10.67	14	-49	105	139	-	-	-	-	-	-	100%	China
51	Foshan Peguform Automotive Plastics Technology Co. Ltd.	December 31, 2019		CNY	10.67	640	72	2,631	1,919	-	2,620	124	9	115	-	100%	China
52	SMP Automotive Technology Iberica S.L.	March 31, 2020	November 23, 2011	EUR	83.32	1,684	6,307	17,466	9,475	5,927	23,215	2,447	842	1,605	548	100%	Spain
53	SMP Automotive Technologies Teruel Sociedad Limitada	March 31, 2020	November 23, 2011	EUR	83.32	42	192	543	309	-	1,225	164	41	123	115	100%	Spain
54	Samvardhana Motherson Peguform Barcelona S.L.U	March 31, 2020	November 23, 2011	EUR	83.32	21	331	4,782	4,430	-	2,134	391	91	299	365	100%	Spain
55	SMP Automotive Produtos Automotivos do Brasil Ltda.	March 31, 2020	November 23, 2011	BRL	14.52	6,702	-8,007	1,676	2,980	-	4,999	-1,072	-	-1,072	-	100%-1share	Brazil
56	SMP Automotive Systems Mexico S.A. de C.V.	December 31, 2019	November 23, 2011	USD	75.55	4,799	1,625	18,394	11,969	-	19,910	1,221	35	1,186	-	100%-1share	Mexico
57	Samvardhana Motherson Peguform Automotive Technology Portugal S.A.	March 31, 2020	November 23, 2011	EUR	83.32	8	748	2,645	1,889	-	7,575	919	175	745	-	100%	Portugal
58	SMP Automotive Systems Alabama Inc.	March 31, 2020		USD	75.55	-	-15,112	30,477	45,589	-	25,251	-16,563	-2,506	-14,057	-	100%	USA

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59	Celulosa Fabril (Cefa) S.A.	December 31, 2019	November 23, 2011	EUR	83.32	5	2,125	3,563	1,433	167	5,265	1,161	308	853	1,250	50%	Spain
60	Modulos Ribera Alta S.L.Unipersonal	December 31, 2019		EUR	83.32	-	3,117	5,829	2,713	-	5,083	635	157	477	-	50%	Spain
61	Motherson Innovations Lights GmbH & Co KG	March 31, 2020	January 02, 2017	EUR	83.32	2	-32	46	76	2	76	-30	-0	-30	-	100%	Germany
62	Motherson Innovations Lights Verwaltungs GmbH	March 31, 2020	January 02, 2017	EUR	83.32	2	0	2	-0	-	-	0	-	0	-	100%	Germany
63	Tianjin SMP Automotive Component Company Limited	December 31, 2019		CNY	10.67	320	-138	1,499	1,317	-	1,507	-138	-	-138	-	100%	China
64	Shenyang SMP Automotive Plastic Component Co. Ltd.	December 31, 2019		CNY	10.67	213	-119	821	727	-	222	-119	-	-119	-	100%	China
65	Samvardhana Motherson Reflectec Group Holdings Limited	March 31, 2020		EUR	83.32	2,537	17,433	27,651	7,681	11,810	-	2,321	-	2,321	-	98.45%	Jersey
66	SMR Automotive Technology Holding Cyprus Limited	March 31, 2020	March 06, 2009	EUR	83.32	167	3,766	5,275	1,342	5,273	-	742	-	742	-	100%	Cyprus
67	SMR Automotive Brasil Ltda.	December 31, 2019		BRL	14.52	1,198	-331	1,291	424	-	1,786	163	11	153	-	100%	Brasil
68	SMR Automotive Mirror Technology Holding Hungary KFT	March 31, 2020	March 06, 2009	EUR	83.32	3	2,080	2,084	1	1,438	0	247	-	247	767	100%	Hungary
69	SMR Holding Australia Pty Limited	March 31, 2020	March 06, 2009	AUD	46.35	1,573	-42	1,534	3	1,500	-	586	-0	586	586	100%	Australia
70	SMR Automotive Australia Pty Limited	March 31, 2020	March 06, 2009	AUD	46.35	523	646	2,539	1,370	16	4,152	1,029	302	727	586	100%	Australia
71	SMR Automotive Mirror Technology Hungary BT	March 31, 2020	March 06, 2009	EUR	83.32	85	269	35,415	35,061	-	59,233	-553	2	-555	1,054	100%	Hungary
72	SMR Automotive Systems France S.A.	March 31, 2020	March 06, 2009	EUR	83.32	66	-263	1,447	1,644	-	6,840	-420	-	-420	-	100%	France
73	SMR Automotive Systems India Limited	March 31, 2020	March 06, 2009	INR	1.00	137	2,569	4,592	1,886	-	5,445	391	147	244	90	100%	India
74	SMR Automotive System (Thailand) Limited	March 31, 2020		THB	2.31	1,090	-561	1,075	546	-	1,131	-5	-	-5	-	100%	Thailand
75	SMR Automotive Mirror Parts and Holdings UK Ltd	March 31, 2020	March 06, 2009	EUR	83.32	0	12,027	15,533	3,506	4,952	-	2,159	-	2,159	2,039	100%	UK
76	SMR Patents S.à.r.l.	March 31, 2020	March 06, 2009	EUR	83.32	1	-40	652	692	-	230	22	-162	184	-	100%	Luxembourg
77	SMR Automotive Technology Valencia S.A.U.	March 31, 2020	March 06, 2009	EUR	83.32	208	-8	204	5	5	-	6	0	6	-	100%	Spain

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78	SMR Automotive Mirrors UK Limited	March 31, 2020	March 06, 2009	EUR	83.32	0	951	4,022	3,071	-	10,918	264	5	259	-	100%	UK
79	SMR Automotive Mirror Systems Holding Deutschland GmbH	March 31, 2020	March 06, 2009	EUR	83.32	2	2,924	4,543	1,617	937	17	1,524	161	1,363	-	100%	Germany
80	SMR Hyosang Automotive Ltd.	March 31, 2020	March 06, 2009	KRW	0.06	28	2,018	3,463	1,417	-	5,520	209	45	165	-	100%	Korea
81	SMR Automotive Modules Korea Ltd.	March 31, 2020	March 06, 2009	KRW	0.06	250	5,162	8,982	3,571	2,046	19,291	-56	-42	-13	-	100%	Korea
82	SMR Automotive Beteiligungen Deutschland GmbH	March 31, 2020	March 06, 2009	EUR	83.32	2	60	526	464	-	4	85	-	85	85	100%	Germany
83	SMR Automotive Systems Spain S.A.U.	March 31, 2020	March 06, 2009	EUR	83.32	97	952	3,546	2,496	183	5,048	975	164	811	521	100%	Spain
84	SMR Automotive Vision Systems Mexico S.A. de C.V.	December 31, 2019	March 06, 2009	MXP	3.19	322	1,839	4,478	2,317	-	7,103	985	298	687	488	100%	Mexico
85	SMR Automotive Mirrors Stuttgart GmbH	March 31, 2020	March 06, 2009	EUR	83.32	2	-	2,720	2,718	133	4,114	1,028	-	1,028	1,028	100%	Germany
86	SMR Grundbesitz GmbH & Co. KG	March 31, 2020	March 06, 2009	EUR	83.32	5	190	340	145	-	97	43	10	33	-	93%	Germany
87	SMR Mirror UK Limited	March 31, 2020		EUR	83.32	3,421	-2,105	11,892	10,577	11,892	-	4,183	-	4,183	4,360	100%	UK
88	SMR Automotive Systems USA Inc.	March 31, 2020	March 06, 2009	USD	75.55	6	3,689	8,925	5,231	-	32,204	4,915	967	3,947	4,933	100%	USA
89	SMR Automotive Mirror International USA Inc.	March 31, 2020	March 06, 2009	USD	75.55	5,726	9,782	16,061	552	15,965	-	19	9	10	-	100%	USA
90	SMR Automotive Vision System Operations USA INC	March 31, 2020		USD	75.55	4,271	7,081	40,795	29,442	4,271	-	4,807	501	4,306	-	100%	USA
91	SMR Automotive Beijing Company Limited	December 31, 2019	March 06, 2009	CNY	10.67	36	357	382	-11	-	13	13	1	12	-	100%	China
92	SMR Automotive Yancheng Co. Limited	December 31, 2019	March 06, 2009	CNY	10.67	471	310	2,440	1,658	-	2,121	-8	-41	33	-	100%	China
93	SMR Automotive Holding Hong Kong Limited	March 31, 2020	March 06, 2009	EUR	83.32	192	281	477	4	476	-	-2	-	-2	-	100%	Hong Kong
94	SMR Automotive Operations Japan K.K.	March 31, 2020		JPY	0.70	18	-87	82	152	-	250	-157	2	-159	-	100%	Japan
95	SMR Automotive (Langfang) Co. Ltd	December 31, 2019		CNY	10.67	1,172	-1,200	3,295	3,324	-	5,821	-31	-	-31	-	100%	China
96	SMR Automotives Systems Macedonia Dooel Skopje	December 31, 2019		EUR	83.32	26	-911	73	959	-	-	-0	-	-0	-	100%	Macedonia
97	Samvardhana Motherson Global (FZE)	March 31, 2020		USD	75.55	3	174	228	51	-	417	116	-	116	69	100%	UAE

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98	Motherson Innovations Company Limited	March 31, 2020		EUR	83.32	4,685	-3,745	1,064	124	1,022	-	-946	-	-946	-	100%	UK
99	Motherson Innovations Deutschland GMBH	March 31, 2020		EUR	83.32	2	45	78	31	-	282	12	4	8	-	100%	Germany
100	SMR Automotive Industries RUS Limited Liability Company	December 31, 2019		RUB	0.96	26	-8	19	1	-	18	0	0	0	-	100%	Russia
101	Samvardhana Motherson Corp Management Shanghai Co Ltd.	December 31, 2019		CNY	10.67	84	-33	71	20	-	-	-22	-	-22	-	100%	China
102	Re-Time PTY Ltd	June 31, 2020		AUD	46.35	38	-30	24	16	-	44	-1	-	-1	-	100%	Australia
103	PKC Group Oy	March 31, 2020	March 27, 2017	EUR	83.32	518	9,728	27,969	17,723	19	-	1,144	1	1,142	1,709	100%	Finland
104	PKC Wiring Systems Oy	March 31, 2020	March 27, 2017	EUR	83.32	18	7,777	26,908	19,113	414	-	309	83	226	-	100%	Finland
105	Wisetime Oy	December 31, 2019	March 06, 2020	EUR	83.32	-	-	-	-	-	-	-	-	-	-	100%	Finland
106	Motherson PKC Harness Systems FZ-LLC	March 31, 2020		EUR	83.32	3	-4	304	305	247	-	-4	-	-4	-	100%	UAE
107	PKC Group Poland Sp. z o.o.	December 31, 2019	March 27, 2017	PLN	18.28	375	-987	3,243	3,855	-	11,764	-93	31	-123	-	100%	Poland
108	PKC Wiring Systems Llc	December 31, 2019	March 27, 2017	RSD	0.71	1,786	-1,439	2,556	2,210	909	5,545	-101	-	-101	-	100%	Serbia
109	PKC Group APAC Limited	December 31, 2019	March 27, 2017	HKD	9.75	5	-2,078	3,484	5,557	267	-	143	2	142	-	100%	Hong Kong
110	PKC Group Canada Inc.	December 31, 2019	March 27, 2017	CAD	53.74	759	-465	297	3	-	19	4	18	-14	-	100%	Canada
111	PKC Group USA Inc.	December 31, 2019	March 27, 2017	USD	75.55	1,021	-13,964	-4,879	8,064	-	-	-1,057	-	-1,057	-	100%	USA
112	PKC Group Mexico S.A. de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	0	127	127	-0	-	-	-	-	-	-	100%	Mexico
113	Project del Holding S.a.r.l.	December 31, 2019	March 27, 2017	EUR	83.32	635	723	1,361	3	-	-	-2	1	-2	-	100%	Luxembourg
114	PK Cables do Brasil Ltda	December 31, 2019	March 27, 2017	BRL	14.52	4,724	-4,121	3,020	2,417	193	6,870	40	74	-35	-	100%	Brazil
115	PKC Eesti AS	December 31, 2019	March 27, 2017	EUR	83.32	85	14,110	16,777	2,582	3	18,896	1,465	-	1,465	-	100%	Estonia
116	TKV-sarjat Oy	March 31, 2020	March 27, 2017	EUR	83.32	1	9	25	15	-	-	3	-	3	-	100%	Finland
117	PKC SEGU Systemelektrik GmbH	December 31, 2019	March 27, 2017	EUR	83.32	2	-240	995	1,232	13	2,547	44	-0	45	-	100%	Germany
118	Groclin Luxembourg S.à r.l.	December 31, 2019	March 27, 2017	EUR	83.32	222	1,642	1,873	9	-	-	-2	0	-2	-	100%	Luxembourg
119	PKC Vehicle Technology (Suzhou) Co., Ltd.	December 31, 2019	March 27, 2017	CNY	10.67	729	-837	316	423	5	171	261	1	260	-	100%	China

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 / Earnings transfer to owners	% of shareholding	Country
120	AEES Inc.	December 31, 2019	March 27, 2017	USD	75.55	0	13,202	11,933	-1,269	799	45,739	4,015	447	3,569	-	100%	USA
121	PKC Group Lithuania UAB	December 31, 2019	March 27, 2017	EUR	83.32	12	447	973	515	57	2,484	131	22	109	-	100%	Lithuania
122	PKC Group Poland Holding Sp. z o.o.	December 31, 2019	March 27, 2017	PLN	18.28	383	354	4,680	3,943	104	-	-28	-5	-23	-	100%	Poland
123	OOO AEK	December 31, 2019	March 27, 2017	RUB	0.96	67	346	626	213	37	1,108	0	4	-4	-	100%	Russia
124	Kabel-Technik-Polska Sp. z o.o.	March 31, 2020	March 27, 2017	PLN	18.28	288	560	5,050	4,202	86	7,163	-32	-6	-26	-	100%	Poland
125	AEES Power Systems Limited partnership	December 31, 2019	March 27, 2017	USD	75.55	-	2,129	2,318	189	5	898	336	81	255	-	100%	USA
126	T.I.C.S. Corporation	December 31, 2019	March 27, 2017	USD	75.55	-	-	-	-	-	-	-	-	-	-	100%	USA
127	Fortitude Industries Inc.	December 31, 2019	April 01, 2017	USD	75.55	1	855	1,294	439	5	754	-64	-15	-50	-	100%	USA
128	AEES Manufactuera, S. De R.L de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	53	597	929	279	169	2,189	108	93	15	-	100%	Mexico
129	Cableodos del Norte II, S. de R.L de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	0	227	414	187	-	1,624	100	59	42	-	100%	Mexico
130	Manufacturas de Componentes Electricos de Mexico S. de R.L de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	1	1	7	4	-	-	-	-	-	-	100%	Mexico
131	Arneses y Accesorios de México, S. de R.L de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	0	179	941	763	-	5,028	180	80	100	-	100%	Mexico
132	Asesoria Mexicana Empresarial, S. de R.L de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	7	95	174	72	-	519	25	16	9	-	100%	Mexico
133	Arneses de Ciudad Juarez, S. de R.L de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	0	34	86	52	-	333	18	16	2	-	100%	Mexico
134	PKC Group de Piedras Negras, S. de R.L. de C.V.	December 31, 2019	March 27, 2017	MXP	3.19	0	75	179	104	-	829	38	17	21	-	100%	Mexico
135	PKC Group AEES Commercial S. de R.L de C.V	December 31, 2019	March 27, 2017	MXP	3.19	0	28	285	257	-	241	9	4	5	-	100%	Mexico
136	Jiangsu Huakai-PKC Wire Harness Co., Ltd.	December 31, 2019	March 27, 2017	CNY	10.67	1,280	2,841	6,168	2,046	1,067	7,345	287	19	267	-	50%	China
137	PKC Vechicle Technology (Hefei) Co, Ltd.	December 31, 2019	March 27, 2017	CNY	10.67	1,067	-105	2,748	1,787	25	5,578	152	-	152	-	50%	China
138	Shangdong Huakai-PKC Wire Harness Co., Ltd.	December 31, 2019		CNY	10.67	1,067	63	1,651	521	331	1,135	142	22	120	-	100%	China
139	Motherson Rolling Stock Systems GB Ltd	March 31, 2020		GBP	93.82	282	708	3,275	2,285	866	4,156	874	166	708	-	100%	United Kingdom

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140	SMRC Automotive Holdings B.V.	March 31, 2020	August 2, 2018	USD	75.55	0	857	1,119	261	38	-	-145	0	-145	-	100%	Netherlands
141	SMRC Automotives Technology Phil Inc.	March 31, 2020	August 2, 2018	PHP	1.49	74	-89	339	354	-	118	-6	-	-6	-	100%	Philippines
142	SMRC Automotive Smart Interior Tech (Thailand) Ltd.	December 31, 2019	August 2, 2018	THB	2.31	1,297	-613	1,534	850	-	2,012	17	-	17	-	100%	Thailand
143	SMRC Automotive Interiors Spain S.L.U.	December 31, 2019	August 2, 2018	EUR	83.32	1,274	2,317	7,909	4,319	-	13,970	464	108	356	-	100%	Spain
144	SMRC Automotive Modules France SAS	March 31, 2020	August 2, 2018	EUR	83.32	555	2,655	19,100	15,889	-	44,952	2,721	197	2,523	-	100%	France
145	SMRC Smart Interior Systems Germany GmbH	December 31, 2019	August 2, 2018	EUR	83.32	2	196	792	593	-	1,178	-0	-1	1	-	100%	Germany
146	SMRC Fabricacao e Comercio de Produtos Automotivos do Brasil Ltda.	March 31, 2020	August 2, 2018	BRL	14.52	1,243	-638	2,407	1,803	-	4,998	7	-13	20	-	100%	Brazil
147	Shanghai SMRC Automotive Interiors Tech Consulting Co. Ltd.	December 31, 2019	August 2, 2018	CNY	10.67	10	5	20	5	-	55	2	0	2	-	100%	China
148	SMRC Automotive Products India Private Limited	March 31, 2020	August 2, 2018	INR	1.00	1,166	499	3,188	1,523	-	4,090	-72	-19	-53	-	100%	India
149	Samvardhana Motherson Reydel Automotive Parts Holding Spain, S.L.U.	December 31, 2019	August 2, 2018	EUR	83.32	1,316	1,606	2,935	13	2,381	-	-5	-44	39	-	100%	Spain
150	SMRC Automotive Interiors Products Poland SA	December 31, 2019	August 2, 2018	PLN	18.28	115	-	116	1	-	-	6	-	6	-	100%	Poland
151	SMRC Automotive Interiors Japan Ltd.	March 31, 2020	August 2, 2018	JPY	0.70	70	-60	109	99	-	226	5	5	-0	-	100%	Japan
152	Yujin SMRC Automotive Techno Corp.	March 31, 2020	August 2, 2018	KRW	0.06	527	1,277	4,302	2,498	-	7,532	386	82	304	271	51%	Korea
153	SMRC Automotive Interior Modules Croatia d.o.o.	December 31, 2019	August 2, 2018	HRK	10.93	0	1	12	10	-	-	1	0	1	-	100%	Croatia
154	SMRC Automotive Solutions Slovakia s.r.o.	December 31, 2019	August 2, 2018	EUR	83.32	345	229	2,630	2,057	-	5,217	-342	64	-406	-	100%	Slovakia
155	SMRC Automotive Technology RU LLC	December 31, 2019	August 2, 2018	RUB	0.96	1,095	-1,043	1,279	1,226	-	1,234	-155	-10	-145	-	100%	Russia
156	SMRC Automotive Holdings Netherlands B.V.	March 31, 2020	August 2, 2018	EUR	83.32	0	6,045	13,802	7,757	7,544	-	-561	37	-598	-	100%	Netherlands
157	SMRC Automotives Techno Minority Holdings B.V.	March 31, 2020	August 2, 2018	EUR	83.32	0	51	2,524	2,473	8	-	4	-0	4	-	100%	Netherlands
158	SMRC Automotive Tech Argentina S.A.	December 31, 2019	August 2, 2018	ARS	1.18	1,550	-991	1,268	708	-	674	-137	-7	-130	-	100%	Argentina

(All amounts in ₹ Million, unless otherwise stated)

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159	Samvardhana Motherson Reydel Autotecc Morocco SAS	December 31, 2019	August 2, 2018	MAD	7.49	928	-682	1,169	922	-	1,640	-172	-8	-164	-	100%	Morocco
160	PT SMRC Automotive Technology Indonesia	December 31, 2019	August 2, 2018	IDR	0.005	12	-54	110	152	-	80	15	-	15	-	100%	Indonesia
161	SMRC Automotive Holding South America B.V.	March 31, 2020	August 2, 2018	USD	75.55	0	395	1,082	687	1,077	-	-30	-	-30	-	100%	Netherlands
162	SMRC Automotive Modules South America Minority Holdings B.V.	March 31, 2020	August 2, 2018	USD	75.55	0	29	30	1	30	-	-0	-	-0	-	100%	Netherlands
163	SMRC Automotive Interiors Management B.V.	March 31, 2020	August 2, 2018	USD	75.55	-	-	-	-	-	-	-	-	-	-	100%	Netherlands
164	SMRC Smart Automotive Interior Technologies USA, LLC	March 31, 2020	August 2, 2018	USD	75.55	-	-	-	-	-	-	-	-	-	-	100%	USA
165	Motherson Innovations LLC	March 31, 2020		USD	75.55	-	-	-	-	-	-	-	-	-	-	100%	USA
166	Motherson Ossia Innovations LLC.	March 31, 2020		USD	75.55	-	-	-	-	-	-	-	-	-	-	51%	USA
167	MSSL M Tooling Ltd	March 31, 2020		EUR	83.32	-	-	-	-	-	-	-	-	-	-	100%	Mauritius

Notes:

1. Subsidiary companies 'Motherson PKC Harness Systems FZ-LLC' (incorporated on July 7, 2019), Motherson Innovations LLC and Motherson Ossia Innovations LLC. are yet to commence business.
2. Samvardhana Motherson Polymers Management Germany GMBH is Merged with MSSL GmbH from August 30, 2019
3. Subsidiary company 'SMR Automotive Servicios Mexico S.A de C.V' was liquidated on July 2, 2019, ' PKC Netherlands Holding B.V.' was liquidated on July 31, 2019 and ' PK Cables Nederland B.V. (held by PKC Netherlands) was liquidated on July 31, 2019.

(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, 2020			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, 2020	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	44	1	
Kyungshin Industrial Motherson Limited	March 31, 2020	8,600,000	86	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	2,076	396	
Calsonic Kansei Motherson Auto Products Private Limited	March 31, 2020	30,930,836	400	49%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	685	42	
Ningbo SMR Huaxiang Automotive Mirrors Co. Limited	December 31, 2019	-	452	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	2,190	917	
Chongqing SMR Huaxiang Automotive Products Limited	December 31, 2019	-	213	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	573	101	
Tianjin SMR Huaxiang Automotive Part Co. Limited	December 31, 2019	-	43	50%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	2	-2	
Eissmann SMP Automotive interieur Slovakia s.r.o.	December 31, 2019		225	49%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	271	-261	
Hubei Zhengao PKC Automotive Wiring Company Ltd.	December 31, 2019		632	40%	Joint Control along with its joint venture partner	The Company carries out the equity method of accounting	834	397	

Notes:

1. Joint venture company 'Tianjin SMR Huaxiang Automotive Part Co. Limited' was incorporated on May 10, 2018 and is yet to commence its business.

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