

MAHINDRA & MAHINDRA LIMITED

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Rs. in Crores

STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Standalone						Consolidated	
	Quarter Ended			Year Ended			Year Ended	
	Mar-17 (Audited) Refer note 6	Dec-16 (Unaudited)	Mar-16 (Audited) Refer note 6	Mar-17 (Audited)	Mar-16 (Audited)	Mar-17 (Audited)	Mar-16 (Audited)	
1. Revenue from Operations.....	12011.54	11777.98	11726.27	47096.04	43638.90	88983.03	80461.87	
Other income (note 2)	308.10	110.13	114.20	1342.49	849.93	730.10	521.05	
Total Income.....	12319.64	11888.11	11840.47	48438.53	44488.83	89713.13	80982.92	
2. Expenses :								
a. Cost of materials consumed.....	5223.88	5260.39	4480.24	20913.11	19364.88	45230.68	41565.20	
b. Purchases of stock-in-trade.....	3064.30	2246.90	3585.80	10893.63	10409.26	4849.82	4019.15	
c. Changes in inventories of finished goods, stock-in-trade and work-in-progress.....	(71.03)	451.30	(150.23)	(4.01)	(257.97)	(13.83)	(458.51)	
d. Excise Duty.....	886.39	767.64	960.50	3310.68	2763.83	5209.98	4620.45	
e. Employee benefits expense.....	601.66	685.52	511.03	2595.37	2348.72	8910.63	7689.40	
f. Finance costs.....	44.52	38.14	45.83	145.58	186.05	3648.46	3367.59	
g. Depreciation and amortisation expense.....	342.50	338.90	320.62	1327.16	1068.10	2809.11	2441.65	
h. Other expenses (Net of cost of manufactured products capitalised).....	1367.88	1066.88	1263.22	4617.97	4390.24	14064.53	12943.74	
Total expenses (a+b+c+d+e+f+g+h).....	11460.10	10855.67	11017.01	43799.49	40273.11	84709.38	76188.67	
3 Profit before Profit/(Loss) of Associates, Joint Ventures, exceptional items and tax (1-2)	859.54	1032.44	823.46	4639.04	4215.72	5003.75	4794.25	
4 Exceptional items (net) (note 4).....	93.68	363.78	5.99	548.46	68.74	447.11	31.75	
5 Profit before Profit/(Loss) of Associates, Joint Ventures and tax (3 + 4)	953.22	1396.22	829.45	5187.50	4284.46	5450.86	4826.00	
6 Share of profit/(loss) of associates and Joint Ventures	-	-	-	-	-	899.40	846.03	
7 Profit before tax for the period (5 + 6)	953.22	1396.22	829.45	5187.50	4284.46	6350.26	5672.03	
8 Tax Expense								
a. Current Tax.....	93.22	254.85	170.96	998.26	857.65	2059.33	1856.77	
b. Deferred Tax.....	134.84	29.10	53.86	233.59	222.24	240.40	260.76	
9 Profit after tax for the period (7 - 8)	725.16	1112.27	604.63	3955.65	3204.57	4050.53	3554.50	
10 Other Comprehensive Income for the period								
10 a. (i) Items that will not be reclassified to profit or loss.....	(12.97)	2.67	2.61	(5.02)	10.56	218.95	(70.61)	
(ii) Income tax relating to items that will not be reclassified to profit or loss.....	4.55	(0.92)	(0.92)	1.80	(3.67)	4.19	(6.24)	
10 b. (i) Items that will be reclassified to profit or loss.....	9.24	(1.89)	16.72	8.67	34.97	(30.70)	239.64	
(ii) Income tax relating to items that will be reclassified to profit or loss.....	(3.03)	0.66	(5.78)	(3.00)	(12.10)	(3.00)	(12.10)	
11 Total Comprehensive Income for the period (9 + 10)	722.95	1112.79	617.26	3958.10	3234.33	4239.97	3705.19	
12 Profit for the period attributable to								
a) Owners of the Company.....						3698.04	3148.43	
b) Non-controlling interest.....						352.49	406.07	
Other Comprehensive Income for the period attributable to								
a) Owners of the Company.....						127.60	91.35	
b) Non-controlling interest.....						61.84	59.34	
13 Total Comprehensive Income for the period attributable to								
a) Owners of the Company.....						3825.64	3239.78	
b) Non-controlling interest.....						414.33	465.41	
14 a. Basic Earnings per share Rs.....	12.22 *	18.75 *	8.08 *	66.70	53.05	68.33	56.77	
14 b. Diluted Earnings per share Rs.....	12.17 *	18.67 *	8.04 *	66.37	52.80	67.95	56.49	
15 Paid-up equity share capital (Face value Rs. 5 per share)				296.81	296.32	270.89	270.40	
16 Reserves and Surplus.....				25372.75	22126.85	29467.10	26222.25	
17 Debenture Redemption Reserve.....				21.88	7.50			
18 Net worth.....				25133.75	22265.92			
19 Debt service coverage ratio (DSCR)**.....				6.19	2.68			
20 Interest service coverage ratio (ISCR)***.....				25.17	19.89			
21 Debt Equity ratio.....				0.11	0.13			

* not annualised

** DSCR = (Profit before interest, tax and exceptional items) / (Interest expense + principal repayments)

*** ISCR = (Profit before interest, tax and exceptional items) / Interest expense

Segment wise Revenues, Results, Assets and Liabilities :

Rs. in Crores

Particulars	Standalone						Consolidated	
	Quarter Ended			Year Ended			Year Ended	
	Mar-17 (Audited)	Dec-16 (Unaudited)	Mar-16 (Audited)	Mar-17 (Audited)	Mar-16 (Audited)	Mar-17 (Audited)	Mar-16 (Audited)	
A. Segment Revenue : (Revenue from operations)								
Automotive Segment.....	8910.72	7453.08	8966.45	32019.68	30826.35	53772.04	50464.24	
Farm Equipment Segment.....	3011.08	4158.97	2612.01	14334.56	11895.38	19043.48	15039.15	
Financial Services Segment.....	-	-	-	-	-	7508.07	6985.89	
Real Estate Segment.....	-	-	-	-	-	783.15	620.45	
Hospitality Segment.....	-	-	-	-	-	2284.29	1602.17	
Two Wheelers Segment.....	-	-	-	-	-	1167.51	1499.54	
Other Segments.....	388.32	395.93	467.15	1516.87	1780.78	5520.66	5248.81	
Total	12310.12	12007.98	12045.61	47871.11	44502.51	90079.20	81460.25	
Less: Intersegment Revenue.....	298.58	230.00	319.34	775.07	863.61	1096.17	998.38	
Revenue from operations.....	12011.54	11777.98	11726.27	47096.04	43638.90	88983.03	80461.87	
B. Segment Results:								
Automotive Segment.....	283.25	335.45	540.21	1412.78	2128.76	2138.49	2282.51	
Farm Equipment Segment.....	466.90	730.17	356.90	2561.68	1955.94	2609.04	1981.76	
Financial Services Segment.....	-	-	-	-	-	963.56	1,597.28	
Real Estate Segment.....	-	-	-	-	-	72.11	105.16	
Hospitality Segment.....	-	-	-	-	-	219.99	179.46	
Two Wheelers Segment.....	-	-	-	-	-	(692.41)	(865.91)	
Other Segments.....	23.99	16.29	(1.44)	73.30	40.41	(117.16)	33.41	
Total Segment Results.....	774.14	1081.91	895.67	4047.76	4125.11	5193.62	5313.67	
Less:								
Finance Costs.....	44.52	38.14	45.83	145.58	186.05	462.01	447.31	
Other un-allocable expenditure net of un-allocable income (includes exceptional items).....	(223.60)	(352.45)	20.39	(1285.32)	(345.40)	(719.25)	40.36	
Total Profit before tax.....	953.22	1396.22	829.45	5187.50	4284.46	5450.86	4826.00	
C. Segment assets:								
Automotive Segment.....	12837.20	12272.69	12044.00	12837.20	12044.00	28978.19	27284.68	
Farm Equipment Segment.....	5214.00	5257.47	4588.76	5214.00	4588.76	8660.39	7759.05	
Financial Services Segment.....	-	-	-	-	-	47590.55	40719.67	
Real Estate Segment.....	-	-	-	-	-	2020.55	2081.59	
Hospitality Segment.....	-	-	-	-	-	3712.11	3413.33	
Two Wheelers Segment.....	-	-	-	-	-	1114.45	1357.51	
Other Segments.....	488.60	488.91	741.58	488.60	741.58	6250.82	4502.51	
Total Segment Assets.....	18539.80	18019.07	17374.34	18539.80	17374.34	98527.06	87118.34	
Unallocated Corporate Assets.....	20798.51	20237.45	18125.23	20798.51	18125.23	16298.55	13513.74	
Total Assets.....	39338.31	38256.52	35499.57	39338.31	35499.57	114825.61	100632.08	
D. Segment liabilities:								
Automotive Segment.....	6491.44	5849.27	6569.68	6491.44	6569.68	14046.98	13396.57	
Farm Equipment Segment.....	2235.81	2371.95	1782.77	2235.81	1782.77	4361.41	3684.44	
Financial Services Segment.....	-	-	-	-	-	41536.98	34823.06	
Real Estate Segment.....	-	-	-	-	-	343.02	361.11	
Hospitality Segment.....	-	-	-	-	-	2568.64	2324.74	
Two Wheelers Segment.....	-	-	-	-	-	483.66	758.29	
Other Segments.....	291.27	277.27	327.99	291.27	327.99	1671.66	1237.39	
Total Segment Liabilities.....	9018.52	8498.49	8680.44	9018.52	8680.44	65012.35	56585.60	
Unallocated Corporate Liabilities.....	4650.23	4841.78	4395.96	4650.23	4395.96	13718.37	11633.63	
Total Liabilities.....	13668.75	13340.27	13076.40	13668.75	13076.40	78730.72	68219.23	

STATEMENT OF ASSETS AND LIABILITIES

	Standalone		Consolidated	
	As at 31st March,		As at 31st March,	
	2017	2016	2017	2016
	(Audited)	(Audited)	(Audited)	(Audited)
				Rs. in Crores
(A) ASSETS				
1 Non-current assets				
Property, Plant and Equipment	6400.84	6545.73	17976.36	18,004.76
Capital work-in-progress	409.45	231.53	1887.86	752.96
Goodwill	-	-	558.61	542.17
Other Intangible assets	1233.80	1050.26	2123.43	2,037.78
Intangible assets under development	1628.49	1330.62	2391.08	1,618.39
Financial Assets				
- Investments	14295.47	11161.42	9872.02	8,286.49
- Trade receivables	-	-	576.59	476.00
- Loans	33.94	1223.55	25198.51	20,629.94
- Other financial assets	245.10	76.52	427.41	147.75
Income tax assets (net)	489.17	465.45	938.00	879.56
Deferred Tax Assets (net)	-	-	906.67	780.26
Other non-current assets	2146.06	1778.81	3082.75	2564.82
Total Non-Current Assets	26882.32	23863.89	65939.29	56720.88
2 Current assets				
Inventories	2715.60	2687.93	8886.01	9116.12
Financial Assets				
- Investments	3606.70	2385.98	4639.34	3316.09
- Trade receivables	2918.45	2511.64	7199.26	5817.60
- Cash and cash equivalents	545.61	842.31	2945.79	2521.72
- Bank Balances other than Cash and Cash Equivalents	1141.39	1444.72	1708.24	2005.83
- Loans	505.88	486.76	20897.95	18869.91
- Other financial assets	570.18	547.97	611.16	783.25
Other current assets	452.18	728.37	1998.57	1480.68
Total Current Assets	12455.99	11635.68	48886.32	43911.20
Total Assets (1+2)	39338.31	35499.57	114825.61	100632.08
(B) EQUITY AND LIABILITIES				
3 Equity				
Equity Share capital	296.81	296.32	270.89	270.40
Other Equity	25372.75	22126.85	29467.10	26222.25
Equity attributable to owners of the Company	25669.56	22423.17	29737.99	26492.65
Non-controlling Interest			6356.90	5920.20
Total Equity	25669.56	22423.17	36094.89	32412.85
4 Non-current liabilities				
Financial Liabilities				
- Borrowings	2233.99	1495.42	30157.33	23,598.78
- Trade payables	1.79	3.25	4.38	41.77
- Other financial liabilities	389.37	422.62	1392.78	1233.08
Provisions	700.45	656.24	3313.18	3289.61
Deferred tax liabilities (Net)	694.86	460.08	1787.45	1433.20
Other non-current liabilities	189.34	194.47	2192.49	1979.25
Total Non - Current Liabilities	4209.80	3232.08	38847.61	31575.69
5 Current liabilities				
Financial Liabilities				
- Borrowings	503.44	348.13	10124.08	7077.12
- Trade payables	7156.26	6674.71	15544.60	13376.49
- Other financial liabilities	337.33	1295.57	11124.65	12938.96
Other current liabilities	802.54	927.53	1701.64	1819.62
Provisions	440.00	408.54	1093.72	1190.02
Current Tax Liabilities (Net)	219.38	189.84	294.42	241.33
Total Current Liabilities	9458.95	9844.32	39883.11	36643.54
Total Equity and Liabilities (3+4+5)	39338.31	35499.57	114825.61	100632.08

Notes:

- 1 The Company adopted Indian Accounting Standards ("IND AS") from 1st April, 2016, and accordingly, these financial results have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of IND AS.

Rs. in Crores				
Quarter Ended		Year Ended		
Mar-17	Dec-16	Mar-16	Mar-17	Mar-16
(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
-	-	-	599.36	416.94

- 2 Other Income in standalone financial results includes dividend received from Subsidiaries, Associates and Joint Venture

- 3 The Hon'ble Supreme Court on 29th March 2017, passed Orders that on and from April 1, 2017 non BS-IV compliant vehicles would not be permitted to be sold in India by any manufacturer or dealer, and prohibited vehicle registering authorities from registering such vehicles. The financial statements have recognised an impact of Rs. 171.01 crore arising from the above.

- 4 Exceptional item in standalone financial results of Rs. 93.68 crores for the quarter represents profit on sale of certain long term investments offset by impairment of certain long term investments carried at cost.

- 5 Reconciliation of the financial results and equity to those reported under previous Generally Accepted Accounting Principles (GAAP) are summarised as follows:

Rs. in Crores			
	Standalone		Equity Reconciliation
	Profit Reconciliation	Year Ended	
	Quarter Ended	Mar-16	Mar-16
	(Audited)	(Audited)	(Audited)
Profit after tax/ Equity as reported under previous GAAP	583.73	3167.48	21707.19
Adjustments:-			
Reversal of Proposed Dividend including tax thereon			841.68
Reclassification of actuarial loss / (gain), arising in respect of employee benefit schemes, to Other Comprehensive Income (OCI)	(2.65)	(10.60)	-
Reversal of capitalisation of foreign currency differences attributable to Property Plant & Equipment (adjusted for depreciation thereon) etc., so as to recognize the carrying value of such assets in accordance with the respective IND AS, and reversal of foreign exchange differences arising from translation of long term foreign currency monetary items and accounted for in Foreign Currency Monetary Items Translation Difference Account, without availing of any exemption	28.58	63.52	(253.37)
Other Adjustments*	5.26	1.63	59.09
Tax Adjustments	(10.29)	(17.46)	68.58
Profit after tax/equity as per IND AS	604.63	3204.57	22423.17
Other Comprehensive Income (after tax)	12.63	29.76	
Total Comprehensive Income as per IND AS	617.26	3234.33	

*Other adjustments mainly include those arising from:

- (1) recognising financial assets and liabilities (carried at cost in Previous GAAP) at Fair Value through Profit or Loss (FVTPL) or amortised cost,
- (2) measuring certain current investments (carried at lower of cost or fair value in Previous GAAP) at FVTPL and investments in subsidiaries, associates and joint venture continue to be recognized at their cost less diminution other than temporary (deemed cost) and other equity instruments at Fair Value through Other Comprehensive Income and
- (3) recognizing the impact of the cost of Employee Stock Option Schemes (recognized at intrinsic value in Previous GAAP) at fair value.

Rs. in Crores			
	Consolidated		Equity Reconciliation
	Profit Reconciliation	Year Ended	
	Year Ended	Mar-16	Mar-16
	(Audited)	(Audited)	(Audited)
Profit after tax/ Equity as reported under previous GAAP		3211.26	28619.64
Adjustments:-			
Change in scope of consolidated entities & change of relationships		(62.20)	(1352.84)
Interest income measured using effective interest method and allowance for expected credit losses		399.24	(294.97)
Reversal of capitalisation of foreign currency differences attributable to Property Plant & Equipment (adjusted for depreciation thereon) etc., so as to recognize the carrying value of such assets in accordance with the respective IND AS, and reversal of foreign exchange differences arising from translation of long term foreign currency monetary items and accounted for in Foreign Currency Monetary Items Translation Difference Account, without availing of any exemption		59.94	(266.50)
Reversal of Proposed Dividend including tax thereon		-	841.68
Other Adjustments#		(171.85)	(624.54)
Tax Adjustments		(287.96)	(429.82)
Profit attributable to owner's of the Company /Owner's Equity as per Ind AS		3148.43	26492.65
Profit attributable to Non-Controlling Interest / Non-Controlling Interest considered as part of Total Equity under Ind AS		406.07	5920.20
Other Comprehensive Income (after tax)		150.69	-
Total Comprehensive Income/Total Equity as per Ind AS		3705.19	32412.85

#Other adjustments mainly include those arising from:

- a) Effect of change in discount rate for defined benefit obligations
- b) Effect of recognition of gross liability for put option over non-controlling interest
- c) Fair valuation of asset and liabilities on acquisition of business
- d) Share of Ind AS adjustments related to Non-Controlling Interest and equity accounted associates and joint-ventures

- 6 The figures of the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.

- 7 The disclosures as per clause 52(4) SEBI LODR Regulations 2015 with respect to the Company's listed unsecured non-convertible debentures (NCDs) are as follows :

Particulars	9.85% 50Y NCDs*	7.57% 10Y NCDs*
Credit rating :		
CRISIL	AAA/Stable	AAA/Stable
ICRA	AAA (stable)	
India Ratings & Research		'IND AAA'/Stable
Previous due date for payment of interest	15th Mar 2017**	NA
Interest paid (Rs crores)	47.75	-
Next due date for payment of interest	15th Mar 2018	27th Sep 2017
Interest payable on next due date (Rs crores)	47.75	35.96
Next due date for repayment of principal	4th Jul 2063	25th Sep 2026
Principal Amount (Rs crores)	500.00	475.00
Asset Cover Ratio		12.95

* There has been no change in credit rating.

**The interest has been paid on due date.

- 8 The Board of Directors of the Company at its meeting held on 3rd December 2016, has approved the Scheme of Arrangement between Mahindra Two Wheelers Limited (MTWL), a step-down subsidiary of the Company, and the Company and their respective Shareholders and Creditors, which inter-alia, envisages demerger of the Two Wheeler Undertaking of MTWL (which consists of manufacturing and selling of Two Wheelers) and transfer and vesting thereof as a going concern into the Company. The Appointed Date of the Scheme would be 1st October 2016 or such other date as may be approved. The Scheme will be given effect to on receipt of requisite approvals / consent.

- 9 The reportable segments (for all periods presented) are as follows:

- a) Automotive Segment comprises of sale of automobiles, spare parts and related services;
- b) Farm Equipment Segment comprises of sale of tractors, spare parts and related services;
- c) Financial Services comprise of services relating to financing, leasing and hire purchase of automobiles, tractors, etc.
- d) Real Estate comprise of operating of commercial complexes, project management and development
- e) Hospitality comprises of sale of Timeshare and vacation ownership;
- f) Two wheelers comprises of sale of two wheelers, spare parts and related services;
- g) Others comprise of IT Services, After-market, Defence, Steel trading and processing, Powerol, Construction Equipment, Agri Business, etc.

- 10 The Board of Directors have recommended a final dividend of Rs 13.00 per share (Face value of Rs. 5 per share)

- 11 The above results were approved by the Board of Directors of the Company at the Board Meeting held on 30th May, 2017

For and on behalf of the Board of Directors

Anand G. Mahindra
Executive Chairman