



Date: June 7, 2017

BSE Limited
 P.J. Towers,
 Dalal Street, Fort,
 Mumbai – 400001

Ref. : Financial Results for the year ended March 31, 2017

Dear Sir,

The audited standalone and consolidated financial results for the year ended March 31, 2017 of the Company under Ind AS ('Statement'), which were approved and taken on record at a meeting of the Board of Directors of the Company held on May 19, 2017, were submitted to the stock exchanges thereafter.

As required by the exchange, we hereby submit / confirm the following :

1. We enclose herewith Auditors' Report on the Audited Financial Statements of the Company on standalone and consolidated basis for the year ended March 31, 2017.
2. We confirm that the Report of Auditors is unmodified with respect to the Audited Financial Statements (Standalone and Consolidated) of the Company for the year ended March 31, 2017.
3. We enclose herewith Statement as per schedule III of the Companies Act. Following changes have been incorporated in the original Statement –
 - a) The 'Other operating income' is now bifurcated and shown as 'Other operating revenue' and 'Other operating income'. Further 'Income from operations', 'Net sales / income from operations (includes excise duty)' and 'Total income from operations' is renamed as 'Revenue from operation', 'Gross sales' and 'Total revenue from operations' respectively.
 - b) The 'Other income' is now shown below 'Total revenue from operations, which was earlier shown below 'Profit from operations before other income, finance costs and exceptional items'. Consequently, the row 'Profit from operations before other income, finance costs and exceptional items' has been deleted. Further a row 'Total income' has been added after 'Total revenue from operation' and 'Other income' which is a sum total of 'Total revenue from operation' and 'Other income'.
 - c) The 'Exchange difference' is now included either in 'Other operating income' in case of income or in 'Other expense' in case of loss.

MSSL Standalone:

	Particulars	Three months ended 31/03/2017	Three months ended 31/12/2016	Three months ended 31/03/2016	Year ended 31/03/2017	Year ended 31/03/2016
1	Grouped under 'Other operating income'					
	Exchange difference	10.69	17.01	(2.89)*	34.88	10.11
	Exchange difference as reported earlier under 'Expense'	(10.69)	(17.01)	2.89	(34.88)	(10.11)

* Netted

MSSL Consolidated:

	Particulars	Three months ended 31/03/2017	Three months ended 31/12/2016	Three months ended 31/03/2016	Year ended 31/03/2017	Year ended 31/03/2016
1	<u>Grouped under 'Other operating income'</u> Exchange difference	(13.80)*	34.55	-	18.18	-
2	<u>Grouped under 'Other expense'</u> Exchange difference	-	-	3.15	-	30.56
	Exchange difference as reported earlier under 'Expense'	13.80	(34.55)	3.15	(18.18)	30.56

* Netted

d) The 'Finance cost' is now shown below 'Depreciation and amortisation expense' which was earlier shown below 'Profit / (loss) before finance costs and exceptional items'. Consequently, the row 'Profit / (loss) before finance costs and exceptional items' has been deleted.

e) Breakup of other comprehensive income has been included.

Following change is made only in consolidated financial results—

f) The 'Share of profit / (loss) of Associates and Joint venture' is now shown below 'exceptional income / (expense) (net)' which was earlier shown below 'Net profit / (loss) for the period before share of profit / (loss) of associates and minority interests'. Consequently, the row 'Net profit / (loss) for the period before share of profit / (loss) of associates and minority interests' has been deleted.

The figures as reported earlier remain unchanged except regrouping as noted above.


4. Results for the quarter ended March 31, 2017 (Standalone and Consolidated) were referred to as unaudited instead of audited. The same has now been shown as 'Audited' read with reference to note 7 in consolidated financial results and note 6 in standalone financial results.

The above information is also available on the website of the Company: www.motherson.com.

This is for your information and record please.

Thanking you,

Yours faithfully,
For Motherson Sumi Systems Limited


(G.N. GAUBA)
CFO & Company Secretary



Encl. : As above



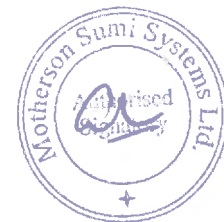
MOTHERSON SUMI SYSTEMS LIMITED

CIN - L34300MH1986PLC284510

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051
CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2017

(Rs. in Crores)

Particulars	Three months ended 31/03/2017	Three months ended 31/12/2016	Three months ended 31/03/2016	Year ended 31/03/2017	Year ended 31/03/2016
	Audited (Refer Note 7)	Unaudited	Unaudited	Audited	Audited
1 Revenue from operations					
(a) Gross sales	11,319.01	10,706.59	9,841.60	42,765.66	37,226.63
- Within India	1,842.79	1,645.98	1,549.13	6,643.14	5,516.66
- Outside India	9,476.22	9,060.61	8,292.47	36,122.52	31,709.97
(b) Other operating revenue	79.00	64.18	159.45	254.17	359.47
(c) Other operating income	91.09	60.68	32.11	255.08	276.55
Total revenue from operations (a + b + c)	11,489.10	10,831.45	10,033.16	43,274.89	37,862.65
2 Other income	94.75	43.34	5.48	146.31	39.21
Total Income (1 + 2)	11,583.85	10,874.79	10,038.64	43,421.20	37,901.86
3 Expenses					
(a) Cost of materials consumed	6,584.37	6,415.50	5,599.30	25,462.05	22,061.77
(b) Purchase of stock-in-trade	89.34	87.66	97.17	295.41	329.67
(c) Change in inventory of finished goods, work in progress and stock-in-trade	30.40	39.53	62.87	(6.80)	17.84
(d) Excise duty on sales	219.02	192.81	178.25	781.47	646.34
(e) Employee benefit expense	2,174.79	1,996.39	1,954.35	8,090.92	7,157.28
(f) Depreciation and amortisation expense	270.69	273.25	336.19	1,059.04	1,087.21
(g) Finance Costs	83.60	108.41	69.61	374.92	345.04
(h) Other expenses	1,150.66	990.29	1,145.78	4,367.14	4,101.51
Total expenses	10,603.07	10,103.84	9,443.52	40,424.15	35,746.68
4 Profit / (loss) before exceptional item	980.78	770.95	595.12	2,997.05	2,155.20
5 Exceptional income / (expenses) (net) (Refer Note 5 below)	(97.43)	-	-	(97.43)	-
6 Share of profit/(loss) of Associates and Joint ventures (net of tax)	42.35	60.88	44.82	183.11	137.72
7 Profit / (loss) before tax	925.70	831.83	639.94	3,082.73	2,292.92
8 Tax expenses					
- Current tax	216.33	253.02	162.06	862.73	647.93
- Deferred tax expense/(income)	3.51	31.49	(109.31)	47.61	(128.67)
9 Profit for the period	705.86	547.32	587.19	2,172.39	1,773.66
10 Other comprehensive income					
A. Items that will not be reclassified to profit or loss					
Changes in fair valuation of FVOCI equity instruments	2.09	(0.11)	0.41	2.08	0.46
Remeasurements of post-employee benefit obligations	(1.05)	(2.50)	(6.03)	(16.52)	(5.41)
Share of other comprehensive income of joint ventures accounted for using the equity method	(0.15)	(0.04)	(0.11)	(0.28)	(0.22)
Income tax relating to items that will not be reclassified to profit or loss	0.89	(2.65)	(5.73)	(14.72)	(5.17)
B. Items that may be reclassified to profit or loss					
Exchange differences on translation of foreign operations	(213.25)	(91.22)	71.75	(302.59)	48.18
Deferred gain / (losses) on cash flow hedges	34.87	(32.40)	4.38	(17.08)	(0.87)
Income tax relating to items that will be reclassified to profit or loss	(178.38)	(123.62)	76.13	(319.67)	47.31
Total other comprehensive income	(178.81)	(124.88)	72.20	(329.94)	44.09
11 Total comprehensive income for the period	527.05	422.44	659.39	1,842.45	1,817.75
12 Net Profit/(Loss) attributable to:					
- Owners	474.78	415.89	424.93	1,554.28	1,292.23
- Non-controlling interests	231.08	131.43	162.26	618.11	481.43
Total comprehensive income attributable to:					
- Owners	344.60	332.69	509.09	1,329.12	1,330.12
- Non-controlling interests	182.45	89.75	150.30	513.33	487.63
13 Earnings per share (of Re.1) (not annualised)					
- Basic	3.38	2.96	3.21	11.37	9.77
- Diluted	3.38	2.96	3.21	11.37	9.77





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CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2017

SEGMENT REPORTING

(Rs. in Crores)

	Particulars	Consolidated				
		Three months ended 31/03/2017 Audited (Refer Note 7)	Three months ended 31/12/2016 Unaudited	Three months ended 31/03/2016 Unaudited	Year ended 31/03/2017 Audited	Year ended 31/03/2016 Audited
1	Segment revenue					
(a)	MSSL Standalone	1,936.07	1,736.49	1,623.99	7,010.08	5,865.00
(b)	SMR	3,099.37	3,023.81	2,806.12	11,869.41	10,289.53
(c)	SMP	5,858.90	5,529.00	5,003.36	22,100.75	19,084.04
(e)	PKC (see below)	-	-	-	-	-
(d)	Others	901.33	794.90	874.49	3,403.03	3,588.29
	Total	11,795.67	11,084.20	10,307.96	44,383.27	38,826.86
	Less: Inter segment	304.42	300.00	278.92	1,169.10	988.08
	Net sales/income from operations	11,491.25	10,784.20	10,029.04	43,214.17	37,838.78
2	Profit from Operations before Other Income, Finance Cost & Exceptional Items					
(a)	MSSL Standalone	302.68	274.57	251.78	1,060.06	823.02
(b)	SMR	298.30	259.84	280.59	926.03	792.55
(c)	SMP	266.23	202.50	64.03	906.61	513.95
(d)	PKC	-	-	-	-	-
(e)	Others	38.64	85.18	50.61	244.92	229.13
	Total	905.85	822.09	647.01	3,137.62	2,358.65
	Less: Inter segment	(52.33)	(1.23)	(8.08)	(45.49)	(78.49)
	Total	958.18	823.32	655.09	3,183.11	2,437.14
	Less : Interest (Net)	72.16	95.70	65.49	332.37	321.17
	Add : Other Income	94.75	43.34	5.48	146.31	39.21
	Add : Share of profit of associates	42.35	60.88	44.82	183.11	137.72
	Total profit before tax and exceptional items	1,023.12	831.84	639.90	3,180.16	2,292.90
3	Segment Assets					
(a)	MSSL Standalone	3,648.23	3,503.75	3,085.64	3,648.23	3,085.64
(b)	SMR	4,356.56	4,299.09	4,041.77	4,356.56	4,041.77
(c)	SMP	13,797.94	11,579.65	9,844.92	13,797.94	9,844.92
(d)	PKC	6,567.46	-	-	6,567.46	-
(e)	Others	2,416.60	2,057.68	2,007.23	2,416.60	2,007.23
	Total	30,786.79	21,440.17	18,979.56	30,786.79	18,979.56
	Less: Inter segment	212.62	247.24	212.41	212.62	212.41
	Total	30,574.17	21,192.93	18,767.15	30,574.17	18,767.15
	Other unallocated assets	1,795.33	5,142.65	1,136.78	1,795.33	1,136.78
	Total segment assets	32,369.50	26,335.58	19,903.93	32,369.50	19,903.93
4	Segment Liabilities					
(a)	MSSL Standalone	2,429.05	1,301.42	1,393.54	2,429.05	1,393.54
(b)	SMR	2,286.38	1,987.97	2,035.66	2,286.38	2,035.66
(c)	SMP	5,665.41	4,492.43	4,186.52	5,665.41	4,186.52
(d)	PKC	2,487.75	-	-	2,487.75	-
(e)	Others	1,553.38	873.85	954.90	1,553.38	954.90
	Total	14,421.97	8,655.67	8,580.82	14,421.97	8,580.82
	Less: Inter segment	286.90	236.99	223.89	286.90	223.89
	Total	14,135.07	8,418.68	8,356.93	14,135.07	8,356.93
	Other unallocated Liabilities	7,729.62	8,092.21	5,637.57	7,729.62	5,637.57
	Total segment liabilities	21,864.69	16,510.89	13,994.50	21,864.69	13,994.50

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

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

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

PKC represents PKC Group Plc including its subsidiaries, acquired on March 27, 2017. PKC is engaged in designing, manufacturing and integrating electrical distribution systems, electronics and related components for commercial vehicle industries, rolling stock manufacturers and other related segments. (refer note 5 below)

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



Statement of Consolidated Assets and Liabilities as at 31st March 2017

	As at 31/03/2017 Audited	As at 31/03/2016 Audited	As at 01/04/2015 Audited
ASSETS			
Non Current Assets			
Property, plant and equipment	8,077.66	6,807.57	5,625.67
Capital work in progress	1,934.85	1,397.04	954.74
Investment properties	89.58	59.06	55.09
Goodwill	1,937.62	292.82	297.42
Other intangible assets	2,087.70	46.47	45.02
Investments accounted for using the equity method	404.46	471.92	390.00
Financial assets			
i. Non current investments	68.39	59.08	25.45
ii. Loans	5.82	4.52	6.62
iii. Trade receivables	653.18	433.92	174.27
iv. Other financial assets	43.45	16.25	6.87
Deferred tax assets (net)	502.38	360.39	185.44
Other non-current assets	476.88	179.34	518.16
Total non-current assets	16,281.97	10,127.38	8,284.75
Current assets			
Inventories	3,071.62	2,284.99	2,002.53
Financial assets			
i. Current investments	0.80	0.65	0.65
ii. Trade receivables	6,606.52	4,653.69	3,770.01
iii. Cash and cash equivalents	4,877.18	1,765.61	1,742.87
iv. Bank balances other than (iii) above	9.39	6.05	3.77
v. Loans	65.18	33.92	37.01
vi. Other financial assets	624.58	467.50	538.85
Other current assets	792.71	530.64	603.41
Income tax assets (net)	39.72	33.58	3.14
Total current assets	16,087.70	9,776.63	8,702.24
Total assets	32,369.67	19,904.01	16,986.99
EQUITY AND LIABILITIES			
Equity	140.35	132.29	88.19
Equity share capital			
Other equity			
Reserves and surplus	8,279.73	4,195.23	3,627.49
Other reserves	(147.41)	69.60	16.28
Equity attributable to owners of the Company	8,272.67	4,397.12	3,731.96
Non controlling interest	2,232.18	1,512.30	1,099.30
Total equity	10,504.85	5,909.42	4,831.26
Non current liabilities			
Financial Liabilities			
i. Borrowings	9,443.98	4,785.85	3,866.29
ii. Other financial liabilities	21.64	20.31	14.21
Provisions	22.60	14.46	18.01
Employee benefit obligations	194.33	185.46	176.50
Deferred tax liabilities (net)	426.04	239.36	190.08
Government grants	122.75	44.63	48.08
Other non-current liabilities	250.78	127.29	256.71
Total non-current liabilities	10,482.12	5,417.36	4,569.88
Current liabilities			
Financial Liabilities			
i. Borrowings	697.77	955.72	771.40
ii. Trade payables	7,316.86	5,162.65	4,640.12
iii. Other financial liabilities	1,452.88	1,055.70	787.18
Provisions	140.21	142.63	106.73
Employee benefit obligations	56.09	55.60	26.48
Government grants	4.85	5.04	4.65
Income tax liabilities (net)	162.90	103.09	101.54
Other current liabilities	1,551.14	1,096.80	1,147.75
Total current liabilities	11,382.70	8,577.23	7,585.85
Total liabilities	21,864.82	13,994.59	12,155.73
Total equity and liabilities	32,369.67	19,904.01	16,986.99



Notes:

- These consolidated financial results of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standard) rules, 2015, Companies (Indian Accounting Standards) amendment rules 2016 and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. SEBI circular dated July 5, 2016 and other accounting principles generally accepted in India. Beginning April 1, 2016 the Company has for the first time adopted IND-AS with a transition date of April 1, 2015.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on May 18, 2017 & May 19, 2017 respectively.
- Samvardhana Motherson Automotive Systems Group B.V., Netherlands (SMRPBV), the Company's subsidiary has issued 4.875% Senior Secured Notes for USD 300 million due 2021 on June 6, 2016 and additional notes amounting to USD 100 million on August 6, 2016 to form single series with the above mentioned USD 300 Million notes. The net proceeds from the aforesaid Notes would be used to meet company's investment requirement, repayment of existing third party indebtedness and general corporate purposes.
- During the year ended March 31, 2017, the Company on September 12, 2016 and September 16, 2016, has made allotment of 17,762,460 equity shares and 62,884,827 equity shares of Re. 1 each to Sumitomo Wiring Systems Japan and Qualified Institutional Buyers respectively at an issue price of Rs. 317 per equity share. Share issue expenses amounting to Rs. 28.8 crores has been charged to Securities Premium Reserve Account as per the provisions of Companies Act 2013. The said proceeds have been utilised for business combination referred to in note 5 below.
- During the year ended March 31st 2017, the Company through its wholly owned subsidiary MSSL Estonia WH OU acquired 93.75% of PKC Group Plc outstanding share and stock options. The total consideration paid in cash amounted to Euro 571 million (INR 4,034 crores) including considerations for 6.25% share which is in process of being acquired. Accordingly an amount of Euro 231 million (Rs 1,598 crores) has been recognised as a goodwill based on a provisional purchase price allocation which will be subsequently updated during the measurement period as permitted under Ind AS 103 "Business Combination". Further, cost amounting to INR 97 crores (EUR 13.2 million) incurred in connection with the business combination has been recognised as exceptional expense.
- The managerial personnel responsible for decision making now reviews the operations of the Company as per the following operating segments i.e. MSSL Standalone, SMR, SMP, PKC and residual segment for 'Others' as against the earlier reviews which was primarily based on the risks and returns of the Company that was based on the nature of products and services namely automotive and non-automotive. Accordingly, the Company has reported the segmental results for the quarter and year ended March 31, 2017 for these operating segments and restated the comparative figures for the previous periods.
- Figures for the quarter ended March 31, 2017 and March 31, 2016 represent the difference between the audited figures in respect of the full financial year and the published figures of nine months ended December 31, 2016 and December 31, 2015 respectively.
- Reconciliation of Net profit for the quarter and twelve months ended March 31, 2016 between Ind AS compliant results as reported above with results previously reported (referred to as "Previous GAAP") are given below:

	Consolidated Three months ended 31/03/2016	Consolidated Year ended 31/03/2016
Net profit as per Previous GAAP	579.97	1,756.05
Adjustments : Increase / (Decrease)		
i) Exceptional cost charged off in statement of profit and loss (a)	0.29	29.06
ii) Amortisation of finance cost (a)	(5.33)	(21.08)
iii) Actuarial loss on defined benefit plan transferred to other comprehensive income (b)	8.11	8.73
iv) Discounting of Long-term receivables	(0.40)	(17.82)
v) Amortization of program fee (c)	0.13	13.01
iv) Others	4.42	5.71
Net profit as per Ind AS	587.19	1,773.66
Other comprehensive income, net of tax	72.20	44.09
Total comprehensive income for the period	659.39	1,817.75

Reconciliation of total equity as at 31st March 2016 and 1 April 2015

	March 31, 2016	April 01, 2015
Total equity (Shareholders funds) as per previous GAAP	5,686.71	4,338.11
Adjustments : Increase / (Decrease)		
Proposed dividend adjustment for the year ended March 31, 2015 (d)	-	318.44
Fair valuation of investment through other comprehensive income (e)	21.67	21.67
	119.68	99.06
Unamortised borrowing cost in respect of issue of senior secured notes (a)		
Reversal of program fee (c)	21.11	6.71
Translation adjustment in respect of one of subsidiary	63.64	56.61
Actuarial valuation of pension provision at corporate bond rate (b)	26.59	20.75
Reclassification of capital grant from capital reserve to deferred income	(10.11)	(11.18)
Tax effects of adjustments (f)	(18.29)	(18.10)
Other	(1.58)	(0.81)
Total Adjustments	222.71	493.15
Total equity as per Ind AS	5,909.42	4,831.26

Brief notes to the reconciliation:

- Cost incurred in relation to borrowings, charged to statement of profit and loss under Previous GAAP, now accounted for on the basis of effective interest rate method in accordance with Ind AS 109 - Financial Instruments.
- Actuarial gain recognised in statement of profit and loss under Previous GAAP now classified in other comprehensive income not to be reclassified to the statement of profit and loss, in accordance with Ind AS 19 - Employee Benefits. Further in respect of subsidiaries outside India, corporate bond rates has been used for discounting as against government yield rate.
- Program fees incurred which is amortised over the period of the program.
- Accounting of dividend declared by the Company on approval by the shareholders which was hitherto being accrued as an adjusting event under the previous GAAP based on approval of Board of Directors.
- Fair valuation of investments in equity instruments designated as fair value through Other Comprehensive Income (FVOCI) on the date of transition.
- Tax adjustments mainly includes deferred tax on undistributed profits of subsidiaries and joint ventures and impact of above adjustments.

Place : Noida
Date: May 19, 2017



SD/-
V C Sehgal
CHAIRMAN



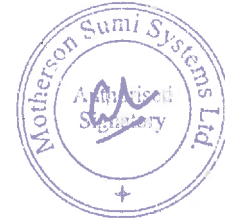
MOTHERSON SUMI SYSTEMS LIMITED

CIN - L34300MH1986PLC284510

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai - 400051
STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2017

(Rs. in Crores)

	Particulars	Three months ended	Three months	Three months ended	Year ended	Year ended
		31/03/2017	ended 31/12/2016	31/03/2016	31/03/2017	31/03/2016
		Audited (Refer Note 6)	Unaudited	Unaudited	Audited	Audited
1	Revenue from operations					
(a)	Gross sales	1,892.30	1,675.70	1,596.21	6,857.16	5,754.49
	- Within India	1,675.49	1,491.47	1,386.28	6,022.93	4,957.92
	- Outside India	216.81	184.23	209.93	834.23	796.57
(b)	Other operating revenue	30.08	54.64	16.66	120.47	78.51
(c)	Other operating income	28.42	30.42	10.33	85.55	48.90
	Total revenue from operations (a + b + c)	1,950.80	1,760.76	1,623.20	7,063.18	5,881.90
2	Other income	45.74	40.14	37.63	106.89	170.85
	Total income (1 + 2)	1,996.54	1,800.90	1,660.83	7,170.07	6,052.75
3	Expenses					
(a)	Cost of materials consumed	867.24	719.20	710.96	3,117.84	2,655.94
(b)	Purchase of stock-in-trade	86.05	86.15	71.91	283.33	218.71
(c)	Change in inventory of finished goods, work in progress and stock-in-trade	(14.21)	29.32	(8.50)	(16.65)	(21.18)
(d)	Excise duty	201.13	177.40	164.13	715.43	588.94
(e)	Employee benefit expense	247.59	208.20	205.11	855.97	713.30
(f)	Depreciation and amortisation Expense	50.68	49.99	50.55	197.69	200.85
(g)	Finance costs	(12.37)	9.98	7.33	12.39	47.44
(h)	Other expenses	205.62	208.66	175.16	831.30	695.53
	Total expenses	1,631.73	1,488.90	1,376.65	5,997.30	5,099.53
4	Profit / (loss) before tax	364.81	312.00	284.18	1,172.77	953.22
5	Tax expenses					
	- Current tax	97.18	96.90	47.78	355.55	251.50
	- Deferred tax expense/(income)	(5.09)	2.14	(2.41)	(10.10)	(16.91)
6	Profit for the period	272.72	212.96	238.81	827.32	718.63
7	Other comprehensive income					
	Items that will not be reclassified to profit or (loss)					
	Changes in fair valuation of FVOCI equity instruments	1.65	(1.83)	(1.75)	(7.42)	(3.67)
	Remeasurements of post-employee benefit obligations	2.26	(1.01)	(0.67)	(2.54)	(1.64)
	Income tax relating to items that will not be reclassified to profit or loss	3.91	(2.84)	(2.42)	(9.96)	(5.31)
	Total other comprehensive income	2.83	(1.86)	(1.54)	(6.24)	(3.41)
8	Total comprehensive income for the period	275.55	211.10	237.27	821.08	715.22
9	Earnings per share (EPS) (of Re.1) (not annualised)					
	- Basic	1.94	1.52	1.81	6.05	5.43
	- Diluted	1.94	1.52	1.81	6.05	5.43





MOTHERSON SUMI SYSTEMS LIMITED

CIN - L34300MH1986PLC284510

Regd. Office: Unit 705, C Wing, ONE BKC, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400051
STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2017

(Rs. in Crores)

Statement of Standalone Assets and Liabilities as at 31st March, 2017

	As at 31st March 2017 Audited	As at 31st March 2016 Audited	As at 1st April 2015 Audited
ASSETS			
Non-current assets			
Property, plant and equipment	1,382.38	1,408.58	1,461.18
Capital work in progress	53.05	65.15	39.95
Intangible assets	0.90	0.30	0.60
Investment properties	59.18	23.30	22.76
Investment in subsidiaries, joint ventures and associate	4,476.36	722.36	706.25
Financial assets			
i. Investments	20.69	23.10	23.95
ii. Loans	3.78	4.52	12.44
iii. Other financial assets	-	-	-
Deferred tax assets (net)	52.79	38.89	20.09
Other non-current assets	66.71	40.45	41.23
Total non-current assets	6,115.84	2,326.65	2,328.45
Current assets			
Inventories	691.71	641.83	507.50
Financial assets			
i. Investments	0.80	0.65	0.65
ii. Trade receivables	811.45	592.11	457.74
iii. Cash and cash equivalents	185.44	14.21	144.12
iv. Bank balances other than (iii) above	3.63	4.30	1.99
v. Loans	9.50	16.46	7.70
vi. Other financial assets	256.25	150.62	179.45
Other current assets	203.37	147.15	191.90
Total current assets	2,162.15	1,567.33	1,491.05
Total assets	8,277.99	3,893.98	3,819.50
EQUITY AND LIABILITIES			
Equity			
Equity share capital	140.35	132.29	88.19
Other equity			
Reserves and surplus	5,647.39	2,304.92	2,330.15
Other reserves	14.91	16.65	16.28
Total equity	5,802.65	2,453.86	2,434.62
Liabilities			
Non current liabilities			
Financial Liabilities			
i. Borrowings	1,154.33	193.91	316.56
ii. Other financial liabilities	19.35	19.10	13.53
Employee benefit obligations	35.38	28.59	27.40
Government grants	11.13	10.98	10.08
Total non-current liabilities	1,220.19	252.58	367.57
Current liabilities			
Financial Liabilities			
i. Borrowings	3.67	141.04	94.74
ii. Trade payables	780.70	572.21	485.48
iii. Other financial liabilities	241.31	235.40	181.45
Provisions	2.04	1.65	1.86
Employee benefit obligations	28.83	20.15	15.74
Government grants	1.49	1.43	1.10
Current tax liabilities (net)	43.67	42.48	74.33
Other current liabilities	153.44	173.18	162.61
Total current liabilities	1,255.15	1,187.54	1,017.31
Total liabilities	2,475.34	1,440.12	1,384.88
Total equity and liabilities	8,277.99	3,893.98	3,819.50

Notes:

- These standalone financial results of the Company have been prepared in accordance with the Indian Accounting Standards (IND AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act 2013 read with rule 3 of the Companies (Indian Accounting Standard) rules, 2015, Companies (Indian Accounting Standards) amendment rules 2016 and in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI circular dated July 5, 2016 and other accounting principles generally accepted in India. Beginning April 1, 2016 the Company has for the first time adopted IND-AS with a transition date of April 1, 2015.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meetings held on May 18, 2017 and May 19, 2017 respectively.
- During the year ended March 31, 2017, the Company on September 12, 2016 and September 16, 2016, has made allotment of 17,762,460 equity shares and 62,884,827 equity shares of Re. 1 each to Sumitomo Wiring Systems Japan and Qualified Institutional Buyers respectively at an issue price of Rs. 317 per equity share. Share issue expenses amounting to Rs. 28.8 crores has been charged to Securities Premium Account as per the provisions of Companies Act 2013. The proceeds from the issue have been utilised for the business combination referred to in note 4 below.
- During the year ended March 31st 2017, the Company through its wholly owned subsidiary MSSL Estonia WH OU acquired 93.75% of PKC Group Plc outstanding share and stock options. The total consideration payable in cash amounted to Euro 571 million (INR 4,034 crores) including consideration for 6.25% share which is in the process of being acquired. Accordingly an amount of Euro 231 million (Rs 1,598 crores) has been recognised as a goodwill based on a provisional purchase price allocation which will be subsequently updated during the measurement period as permitted under Ind AS 103 "Business Combination".



- 5 The managerial personnel now review the operations of the Company as a single operating segment and therefore, there are no reportable segment. Till the quarter ended June 30, 2016, the managerial personnel responsible for decision making reviewed the operations of the Company on the basis of automotive and non-automotive business. The non-automotive business has been decreasing consequent to the growth of automotive business of the Company in the past few years and therefore is not considered significant to the overall operations.
- 6 Figures for the quarter ended March 31, 2017 and March 31, 2016 represent the difference between the audited figures in respect of the full financial year and the published figures of nine months ended December 31, 2016 and December 31, 2015 respectively.
- 7 Reconciliation of Net profit for the quarter and twelve months ended March 31, 2016 between Ind AS compliant results as reported above with results previously reported (referred to as "Previous GAAP") are given below:

	Standalone	
	Three months ended 31/03/2016	Year ended 31/03/2016
Net profit as per Previous GAAP	235.45	711.85
Adjustments : Increase / (Decrease)		
i) Actuarial (gain)/loss on defined benefit plan transferred to other comprehensive income (Refer note (a) below)	3.84	5.77
ii) Subsidies from Government (Refer note (b) below)	0.43	1.25
iii) Others	(0.91)	(0.24)
Net profit as per Ind AS	238.81	718.63
Other comprehensive income, net of tax	(1.54)	(3.41)
Total comprehensive income for the period	237.27	715.22

Reconciliation of total equity as at 31st March 2016 and 1 April 2015

	March 31, 2016	April 01, 2015
Total Equity (Shareholders funds) as per previous GAAP	2,437	2,102
Adjustments : Increase / (Decrease)		
i) Proposed dividend (Refer note (c) below)	-	318
ii) Fair value of investments in equity instruments designated as fair value through other comprehensive income (Refer note (d) below)	22	22
iii) Recognition of Government Grant (Refer note (b) below)	6	5
iv) Reclassification of grants related to assets from capital reserve as at April 1, 2015 (Refer note (b) below)	(16)	(16)
v) Others	1	1
vi) Tax effects of adjustments	4	3
Total Adjustments	17	333
Total Equity as per Ind AS	2,454	2,435

Brief notes to the reconciliation:

- (a) Re-measurement gains/losses on actuarial valuation of post-employment defined benefits.
- (b) Grants received from the Government recognised in the statement of profit and loss on a systematic basis over the life of the assets/ periods of benefit. The grant relating to assets accrued upto 1st April 2015 is adjusted in the opening retained earnings.
- (c) Accounting of dividend declared by the Company on approval by the shareholders which was hitherto being accrued as an adjusting event under the previous GAAP based on approval of Board of Directors.
- (d) Fair valuation of investments in equity instruments designated as fair value through Other Comprehensive Income (FVOCI) on the date of transition.

Place : Noida
Date: May 19, 2017



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V C Sehgal
CHAIRMAN

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Consolidated Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying consolidated Ind AS financial statements of Motherson Sumi Systems Limited ("hereinafter referred to as the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its joint ventures and associate companies; (refer Note 45 to the attached consolidated financial statements), comprising of the consolidated Balance Sheet as at March 31, 2017, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement for the year then ended and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and changes in equity of the Group including its associates and joint ventures in accordance with accounting principles generally accepted in India including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. The respective Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and joint ventures respectively and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act and the Rules made thereunder including the accounting standards and matters which are required to be included in the audit report.
4. We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

INDEPENDENT AUDITORS' REPORT

To the Members of Motherson Sumi Systems Limited
Report on the Consolidated Ind AS Financial Statements
Page 2 of 4

5. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.
6. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 8 of the Other Matters paragraph below, other than the unaudited financial statements as certified by the management and referred to in sub-paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, its associates and joint ventures as at March 31, 2017, and their consolidated profit (including other comprehensive income), their consolidated cash flows and consolidated changes in equity for the year ended on that date.

Other Matter

8. We did not audit the financial statements of 23 subsidiaries whose financial statements reflect total assets of Rs. 204,377 million and net assets of Rs. 50,036 million as at March 31, 2017, total revenue of Rs. 352,171 million, net profit of Rs. 6,901 million and net cash flows amounting to Rs 20,618 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs. 753 million for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 2 joint ventures whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on the reports of the other auditors.
9. We did not audit the financial statements of 41 subsidiaries whose financial statements reflect total assets of Rs. 39,175 million and net assets of Rs. 14,698 million as at March 31, 2017, total revenue of Rs. 9,142 million, net loss of Rs 153 million and net cash flows amounting to Rs Rs. 3,578 million for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of Rs.305 million and Rs. 2 million for the year ended March 31, 2017 as considered in the consolidated Ind AS financial statements, in respect of 2 joint ventures and 1 associate company respectively, whose financial statements have not been audited by us. These financial statements are unaudited and have been furnished to us by the Management, and our opinion on the consolidated Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate companies and our report in terms of sub-section (3) of Section 143 of the Act insofar as it relates to the aforesaid subsidiaries, joint ventures and associates, is based solely on such



INDEPENDENT AUDITORS' REPORT

To the Members of Motherson Sumi Systems Limited
Report on the Consolidated Ind AS Financial Statements
Page 3 of 4

unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

10. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these consolidated Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 17, 2016 and May 12, 2015 respectively.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

(b) In our opinion, proper books of account as required by law maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures incorporated in India including relevant records relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and records of the Holding Company and the reports of the other auditors.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the Holding Company, its subsidiaries included in the Group, associate companies and joint ventures incorporated in India including relevant records relating to the preparation of the consolidated Ind AS financial statements.

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2017 of the Holding Company and a subsidiary company, the reports of the other auditors in respect of other entities audited by them and representation received from the management for entities un-audited, for all the entities incorporated in India (also refer paragraphs 8 and 9 above), none of the directors of the subsidiary companies, its associate company and jointly controlled companies incorporated in India are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in Annexure A.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

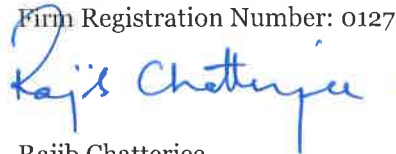


INDEPENDENT AUDITORS' REPORT

To the Members of Motherson Sumi Systems Limited
Report on the Consolidated Ind AS Financial Statements
Page 4 of 4

- i. The consolidated Ind AS financial statements disclose the impact, if any, of pending litigations as at March 31, 2017 on the consolidated financial position of the Group, its associates and joint ventures— Refer Note 20 and Note 44 to the consolidated Ind AS financial statements.
- ii. Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts as at March 31, 2017— Refer (a) Note 37 to the consolidated Ind AS financial statements in respect of such items as it relates to the Group, and (b) the Group's share of net profit in respect of its joint ventures and associates.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year ended March 31, 2017.
- iv. The Group has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Holding Company and its subsidiary companies incorporated in India and as produced to us by the Management – Refer Note 49.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Rajib Chatterjee
Partner

Membership Number: 057134

Place: Noida
Date: May 19, 2016

Annexure A to Independent Auditors' Report

Referred to in paragraph 13 (f) of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the consolidated financial statements for the year ended March 31, 2017

Page 1 of 2

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of Motherson Sumi Systems Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Annexure A to Independent Auditors' Report

Referred to in paragraph 13 (f) of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the consolidated financial statements for the year ended March 31, 2017

Page 2 of 2

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 2 jointly controlled companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India and so far as it relates to the unaudited 2 subsidiaries and 1 associate company is based on representation received from the management. Our opinion is not qualified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Rajib Chatterjee
Partner

Membership Number: 057134

Place: Noida
Date: May 19, 2017

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITORS' REPORT

To the Members of Motherson Sumi Systems Limited

Report on the Standalone Indian Accounting Standards (Ind AS) Financial Statements

1. We have audited the accompanying standalone financial statements of Motherson Sumi Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements to give a true and fair view of the financial position, financial performance (including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.



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7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matter

9. The financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended March 31, 2016 and March 31, 2015 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by us, on which we expressed an unmodified opinion dated May 17, 2016 and May 12, 2015 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

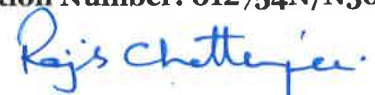
10. As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure A.



(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:

- i. The Company has disclosed the impact, if any, of pending litigations as at March 31, 2017 on its financial position in its standalone Ind AS financial statements – Refer Note 20 and Note 43;
- ii. The Company has made provision as at March 31, 2017, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 36;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017;
- iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 44.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016



Rajib Chatterjee
Partner

Membership Number: 057134

Place: Noida
Date: May 19, 2017

Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Motherson Sumi Systems Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company;



Annexure A to Independent Auditors' Report

Referred to in paragraph 11(f) of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016



Rajib Chatterjee
Partner

Membership Number: 057134

Place: Noida
Date: May 19, 2017

Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the standalone Ind AS financial statements as of and for the year ended March 31, 2017

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 3 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities.



Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Motherhood Sumi Systems Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

Page 2 of 3

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duty of customs which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of excise and value added tax as at March 31, 2017 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount in INR (million) (*)	Period (AY) to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	12.69	2002-03	Hon'ble Supreme Court
Income Tax Act, 1961	Income Tax	19.62	2003-04, 2004-05 and 2005-06	Hon'ble High Court, Delhi
Income Tax Act, 1961	Income Tax	53.45	2004-05 and 2010-11 to 2012-13	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	21.77	2003-04, 2004-05, 2006-07 & 2008-09	Commissioner of Income Tax (Appeals)
Central Excise Act, 1944	Central Excise	22.49	2005-06 to 2008-09	Hon'ble High Court, Allahabad
Central Excise Act, 1944	Central Excise	11.60	2007-08	Custom, Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Central Excise	4.78	2014-15 to 2015-16	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Service Tax	1.60	1999-2000 to 2001-02	Hon'ble High Court, Allahabad
Central Excise Act, 1944	Service Tax	8.12	2002-03 to 2003-04	Custom, Excise and Service Tax Appellate Tribunal
Central Excise Act, 1944	Service Tax	8.14	2007 to 2015	Commissioner of Central Excise (Appeals)
Karnataka VAT Act, 2003	Value Added Tax & Sales Tax	9.18	2010-11	Hon'ble High Court, Karnataka
U.P. VAT Act, 2008	Value Added Tax & Sales Tax	7.69	2008-09 & 2011-12	Additional Commissioner (Appeals)

* Amount under dispute is net of advance deposited, if any.

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company has no debentures as at the balance sheet date.



Annexure B to Independent Auditors' Report

Referred to in paragraph 10 of the Independent Auditors' Report of even date to the members of Motherson Sumi Systems Limited on the standalone Ind AS financial statements for the year ended March 31, 2017

Page 3 of 3

- ix. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been applied for the purposes for which they were obtained. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has made a private placement of shares during the year under review, in compliance with the requirements of Section 42 of the Act. The amounts raised have been used for the purpose for which funds were raised.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016



Rajib Chatterjee
Partner

Membership Number: 057134

Place: Noida
Date: May 19, 2017