Samvardhana Motherson
Automotive Systems
Group BV

ANNUAL
REPORT

YEAR ENDED
MARCH 31, 2015

Samvardhana Motherson Automotive Systems Group BV






CONTENT

DIRECTORS' REPORT

To the members,

Your Directors have the pleasure in presenting annual report together with the audited accounts of the Company for the financial year ended March 31, 2015.

FINANCIAL RESULTS :

Samvardhana Motherson Automotive Systems Group BV together with its subsidiaries (hereinafter referred to as "SMRP BV Group" or "the Group") business consists of Samvardhana Motherson Reflectec Group (SMR Group) and Samvardhana Motherson Peguform Group including Samvardhana Motherson Innovative Autosystems (SMIA) together referred to as SMP Group.

SMRP BV is a private company with limited liability, incorporated under the laws of the Netherlands on October 07, 2011. Its registered office and principal place of business is situated at Claude Debussylaan 24 -1082 MD Amsterdam, The Netherlands.

SMR Group represents the acquired business of Visiocorp Plc which was acquired in March 2009. SMP Group represents acquired business from Peguform Group acquired in Nov 2011. SMP Group also includes acquired business of Scherer & Trier (Renamed as SMIA) in February 2015. Results for the current year ended March 31, 2015 includes two months performance of this acquired business.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("IFRS EU"). These financial statements of the Company have been prepared for the financial year beginning April 01, 2014 and ending on March 31, 2015.

During the year ended March 31, 2014 the Company changed its financial year from January-December to period from April to March. Therefore, the figures for previous financial year comprise a period of 15 months from January 1, 2013 to March 31, 2014.

On June 13, 2014, SMRP BV acquired 98.45% shareholding of Samvardhana Motherson Reflectec Group Holdings Limited (SMR Jersey) from Samvardhana Motherson Group Holdings Limited (SMGHL), Cyprus in share exchange deal wherein SMGHL transferred its entire shareholding (including acquired on June 9, 2014 from minority shareholders) to SMRP BV in exchange of 45,676 shares of a nominal value of € 1 each issued by SMRP BV and consequently SMRP BV has become subsidiary of SMGHL. Shareholders of SMRP BV have approved allotment of shares to SMGHL in their meeting dated June 13, 2014.

As this transaction is done under "common control" as defined by IFRS, the activities of SMR Group have been included in these consolidated accounts using the predecessor accounting method, e.g. the financial statements have been consolidated as of 1 January 2013." i.e. the audited consolidated financial statements for year ended March 31, 2015 have been prepared incorporating the financial performance of SMR Group for full twelve months i.e. From April 1, 2014 to March 31, 2015. And corresponding figures for the previous period were for fifteen months period i.e. From January 1, 2013 to March 31, 2014 and hence SMR Group has also been incorporated for same period in the prior period.

Due to the changes mentioned above, the comparative figures presented are partly not comparable. This relates especially to the comparable figures in the income statement. Therefore in addition to the fifteen months comparative period as given in consolidated financial statements, the twelve month comparative figures for the years ended March 31, 2014 and 2013 is disclosed to facilitate the meaningful comparison.

The twelve month comparative figures are taken from the audited combined financial statements comprising of the consolidated financial statements of SMRBV Group and the consolidated financial statements of SMR Group for the years ended March 31, 2014 and 2013 as presented in the offering memorandum dated June 26, 2014 published by the company while offering €500 Million Senior Secured Notes in June 2014.

The summarised financial results for the year ended March 31, 2015 and for the previous period ended March 31, 2014 and March 31, 2013 are as follows:

Income Statement	As per Consolidated Financial Statements						As per Combined Financial Statements					
	12M ended March 31, 2015			15M ended March 31, 2014			12M ended March 31, 2014			12M ended March 31, 2013		
€ millions	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR
Revenue	3,484.1	2,246.1	1,238.3	3,719.7	2,373.3	1,346.4	2,996.9	1,915.9	1,082.1	2,792.1	1,822.6	969.7
EBITDA	259.5	138.4	121.1	237.4	113.1	124.3	205.4	104.1	101.3	124.0	60.3	63.7
% to Revenue	7.4%	6.2%	9.8%	6.4%	4.8%	9.2%	6.9%	5.4%	9.4%	4.4%	3.3%	6.6%
EBIT	172.5	82.5	90.0	133.0	42.5	90.5	119.1	46.8	72.3	44.6	5.1	39.5
% to Revenue	5.0%	3.7%	7.3%	3.6%	1.8%	6.7%	4.0%	2.4%	6.7%	1.6%	0.3%	4.1%

OPERATIONS AND PERFORMANCE :

Consolidated Revenue for the year ended March 31, 2015 was € 3,484.1 Mio against revenue of € 2,996.9 Mio for the year ended March 31, 2014. This represents growth of approximately 16% over previous year. Consolidated EBITDA was also higher at € 259.5 Mio for the year ended March 31, 2015 as compared to € 205.4 Mio for the year ended March 31, 2014. This represents growth of approximately 26% over previous year.

However, excluding the impact of negative goodwill € 13.3 million arising out of acquisition of Scherer & Trier adjusted EBITDA for year ended March 31, 2015 was at € 246.2 million representing 7.1% of revenues. This represents growth of approximately 20% over previous year.

Adjusted EBITDA	As per Consolidated Financial Statements						As per Combined Financial Statements					
	12M ended March 31, 2015			15M ended March 31, 2014			12M ended March 31, 2014			12M ended March 31, 2013		
€ millions	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR
EBITDA	**259.5**	**138.4**	**121.1**	**237.4**	**113.1**	**124.3**	**205.4**	**104.1**	**101.3**	**124.0**	**60.3**	**63.7**
Negative Goodwill (SMIA)	13.3	13.3	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	**246.2**	**125.1**	**121.1**	**237.4**	**113.1**	**124.3**	**205.4**	**104.1**	**101.3**	**124.0**	**60.3**	**63.7**
% to Revenue	**7.1%**	**5.6%**	**9.8%**	**6.4%**	**4.8%**	**9.2%**	**6.9%**	**5.4%**	**9.4%**	**4.4%**	**3.3%**	**6.6%**

The operational performance of the company has been comprehensively covered in the Operating and Financial overview section which forms an integral part of the directors' report.

DIVIDEND :

No dividend has been paid or proposed by the directors during the year.

GOING CONCERN :

These financial statements are prepared under the assumption that the Group is a going concern. The directors of the Group believe that, on the basis of the future business plans & cash flows and the ability to raise funds as required, they have a reasonable expectation that the Group will continue as a going concern.

CREDIT RATING :

Directors are pleased to inform that for the first time SMRP BV got rated by Standard and Poors for long term credit rating and credit rating of "BB+" was assigned to the company. Further an issue rating of "BB+" was assigned to Euro 500 million Senior Secured Notes issued in June 2014.

SIGNIFICANT FINANCING TRANSACTIONS :

The company issued 4.125% high yield Senior Secured Notes (due 2021) for Euro 500 million on 10th July 2014. The company also entered into committed Revolving Credit Facility for Euro 125 million which matures in 2019. One of the subsidiary of the company, SMP Deutschland Gmbh, entered into Euro 50 million committed Secondary Revolving Credit Facility which matures in 2016. The purpose of these facilities is to prepay certain existing third party indebtedness, prepayment of shareholders loans and financing of working capital & capital expenditure requirements at operating entities. All these facilities hereinafter together referred as "Bond cum RCF transaction" are secured by the following :

- Guarantee by the company & certain subsidiaries
- Share pledge by the company & certain subsidiaries
- Asset security over certain subsidiaries of the company

AWARDS & RECOGNITION :

During the year, SMRP BV received various awards and recognitions. We would like to mention prestigious award received from Daimler in the category 'Partnership' in February 2015. Motherson Group was honoured as "a reliable partner who supports Mercedes-Benz's global growth by investment in capacity expansion and new plants".

EMPLOYEE INVOLVEMENT :

It is Group's policy for the management of its subsidiaries to meet at regular intervals with representatives of various sections of employees at which relevant information and developments are discussed. It is also Group's policy to ensure that any local legislative requirements for employee representation or participation are fully adhered to.

Information on the Group is provided through internal newsletters, intranet portal and notices. Regular meetings are held with the employees to discuss operations, sales and product development and the financial progress of the business. Leadership assessment programs as well as succession planning is also practiced to identify & develop potential leaders.Training programmes for staff continue to focus on technical, consulting and people skills to meet the needs of high growth business. An induction plan is in place for all new joiners of the Group.

Differently abled employees

The Group gives equal consideration to all applicants for employment irrespective of any disability. If a person becomes disabled while employed by the Group, every endeavour is made to protect that person's position. Differently abled persons have the same opportunities for training and career development as other employees with similar skills and abilities.

ENVIRONMENTAL POLICIES :

SMRP BV recognises its corporate responsibility to carry out its operations whilst minimising the impact on the environment. It also aims to comply with all applicable environmental legislation to prevent pollution and to minimise environmental damage occurring as a result of its activities.

INDEPENDENT AUDITOR :

The Auditors, PricewaterhouseCoopers Accountants N.V., Netherlands, are the auditors of the company and they have indicated their willingness to continue in office.

DIRECTORS' RESPONSIBILITY :

The directors are responsible for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union.

In preparing these financial statements the directors should:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group company will continue the business; and
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The directors confirm they have complied with all the above requirements in preparing the financial statements.

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

As of January 1, 2013 a new law requirement has been installed. The purpose of this is to attain a balance (at least 30% of each gender) between men & women in the board of directors and the supervisory board of large entities. In respect of this "Gender Paragraph" the Company does not fulfil the requirement. However, the Group will take these requirements into consideration for future decision with respect to the composition of the management & supervisory board at appropriate time.

ACKNOWLEDGEMENT :

Your Board of Directors would like to place on record their sincere appreciation for the wholehearted support and contributions made by all the employees of the Company as well as customers, suppliers, bankers, auditors and other authorities.

Approved by the Board of Directors and signed on behalf of the Board

Director
Date: June 1, 2015

OPERATING OVERVIEW

BUSINESS OVERVIEW

Samvardhana Motherson Automotive Systems Group BV together with it's subsidiaries (hereinafter referred as "SMRP BV Group" or "the Group") are a leading global Tier 1 supplier of rear view vision systems and interior & exterior modules (including door panels, instrument panels and bumpers) to automotive original equipment manufacturers ("**OEMs**") primarily for use in the production of light vehicles. SMRP BV has long-term and well-established relationships with the top global OEMs and these customers collectively represented over 80% of global automotive production in 2014. SMRP BV currently supplies to over 300 car model programs and approximately one in every four light vehicles produced globally contains SMRP BV's products. In addition, the SMRP BV Group currently holds leading market positions in key product segments and geographies, particularly in the premium segment (which includes brands such as Audi, BMW and Mercedes-Benz), on which the company is especially focused. The SMRP BV Group is active in every phase of the product lifecycle, from concept definition, design, styling, prototyping & validation to the manufacture, assembly and subsequent delivery of fully-engineered products and modules. SMRP BV Group has presence in each major global automotive production region, with 45 production facilities and 11 module centres spread across 16 countries and strategically located in close proximity to the manufacturing plants of the OEM customers. SMRP BV Group operate business through following main divisions:

smr
Samvardhana Motherson Reflectec

Rear view vision systems: SMR division produces a wide range of rear view vision systems primarily for light vehicles. SMR is a leading global supplier of exterior mirrors, with a global market share of 22% by volume with more than 40 million units produced in 2014. Rear view mirrors play an important role in automotive safety and design, and are becoming increasingly sophisticated. SMR's mirrors are engineered to optimize aerodynamics and can integrate technologically advanced features that enhance safety, comfort and aesthetics.

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

From its division headquarters in Stuttgart, Germany, SMR operated 20 manufacturing facilities and 2 module centres with presence in 14 countries and employed 8,605 people as of March 31, 2015.

SMP
Samvardhana Motherson Peguform

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

SMP focuses on the premium segment, with leading market shares in the European premium segment with more than 6.4 million units produced of door panels, 11 million units produced of bumpers and 1.4 million units produced of instrument panels, respectively in 2014. SMP's facilities are strategically located in close proximity to the plants of its OEM customers, allowing for minimal lead times and transport costs and efficient inventory management through "just-in-time" and "just-in-sequence" deliveries to customers.

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

From its division headquarters in Bötzingen, Germany, SMP operated 23 manufacturing facilities and 9 logistics centres in seven countries and employed 10,379 people as of March 31, 2015.

SMIA

SMRP BV had acquired assets of Scherer & Trier group (S&T), Germany from its administrator through its step down subsidiaries, now renamed as SMIA. SMIA with its headquarters in Michelau/Oberfranken (Germany) is an internationally renowned specialist in plastic technologies since it's foundation in 1967. The company develops and manufactures profiles and moulded parts made of thermoplastics, and hybrid components made of metal and plastic providing uninterrupted services to its customers.

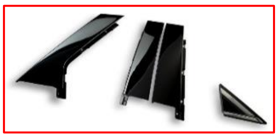
SMIA was one of the leading specialist suppliers of extruded and injection-moulded exterior and interior components. The key manufacturing technologies: injection-moulding, extrusion, stretch-bending, painting and assembly. Further, SMIA has a vast experience in Toolmaking activities.

SMRP BV was backed by the OEMs to acquire SMIA owing to its track record of successfully managing turnaround of acquired assets like Visiocorp and Peguform. This acquisition is core to SMRP BV as it further consolidates its polymer business in Europe & Americas.

This acquisition is strategic fit for SMRP BV as it will provide diversification of client and product mix and access to a strong R&D portfolio. SMIA is vertically integrated supplier with state-of-the-art tool room for injection moulding tools, process engineering and in-house material development capabilities. The significant synergies between various products segments will allow SMRP BV to offer a diversified range of polymer products to its customers.

SMIA operated 2 manufacturing facilities in two countries and employed 2,313 people as of March 31, 2015.



Due to strong synergies between product portfolio and manufacturing technologies, SMIA is considered as part of SMP for the purpose of review by the Chief Operating Decision Makers (“CODM”) in taking strategic decisions. Therefore operating segments of SMRP BV considered are as SMR Group and SMP Group (including SMIA) and these are also the reportable segments.

RESEARCH AND DEVELOPMENT

SMRP BV Group is committed to technological leadership and the development of innovative and high quality products in order to meet both the growing demands of OEM customers with regard to product complexity & feature content as well as increasingly stringent environmental goals and regulatory requirements. Many of the products utilize environmentally friendly & lightweight materials and are manufactured using state-of-the-art technologies that provide superior safety, comfort and design. The company is maintaining a strong portfolio of over 900 patents. Design and research centres are interconnected and share innovations & technological advancements across a global network, which enables efficient improvement in the product quality and delivery of value added solutions on a global scale and in a cost-efficient manner.

SMRP BV Group’s dedication to technological leadership has enabled the company to maintain a long track record of introducing market-first products, including:

- Blind Spot Detection Systems (BSDS) designed to enhance safety and driving experience by utilizing a sophisticated camera-based system to recognize vehicles in drivers’ blind spots;
- Telescopic Trailer Tow (TTT) mirrors with power-telescopic and power-folding functions, designed to aid visibility when towing wide loads; and
- Door panels manufactured using innovative lightweight and recyclable natural fibre materials.

SMRP BV Group’s strong research & development capabilities have historically enabled the company to develop a diversified and comprehensive product portfolio across rear view mirrors, door panels, instrument panels, bumpers and other interior & exterior components. With the ability to offer a full range of system solutions resulting from the vertical integration of company’s operations, including strong in-house sourcing capabilities, there are significant opportunities to increase feature content per vehicle across each of OEM customers’ vehicle platforms.

SMRP BV Group is focused on retaining and strengthening technological leadership through the continued development of innovative products, which will enable the company to further diversify the products portfolio, reinforce & leverage existing customer relationships & status as a strategic Tier 1 supplier to global OEMs and, consequently, drive increased product orders going forward. The company intends to continue to focus research and development capabilities on four key areas:

- **Performance:** Improve product properties with new materials and optimised design. Enhance usability and integrate attractive features.
- **Cost Efficiency :** Reduce cost by engineering best in class products. Maximise integration and standardisation.
- **Responsibility :** Offer solutions for CO2 reduction and reduced energy consumption. Application of innovative and renewable materials. Increase safety by providing solutions for passenger & pedestrian protection.
- **Emotions:** Make attractive products with high class surfaces and integrate functionality (i.e. lighting and displays).

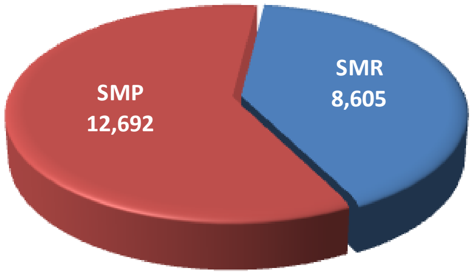
The proven track record and reputation of technological leadership has positioned SMRP BV Group as a preferred partner for collaborative development with leading OEMs. The company intend to continue to pursue collaboration opportunities with existing customers, offering them full suite of development capabilities and jointly developing innovative solutions to cater to their needs. Through focus on technological leadership and the design & production of innovative products, the company aims to further strengthen it's position as the partner of choice in providing solutions which meet the changing consumer needs.

MANAGEMENT TEAM & EMPLOYEES

SMRP BV Group benefits from a strong professional management team, with average automotive industry experience among senior managers of 25 years. The majority of the senior management team have been with the group or its legacy businesses for several years, demonstrating a high degree of continuity and commitment in leadership. Company's management team has a demonstrated track record of achieving improved financial results and has solidified the customer relationships of SMR and SMP as well as enhancing their respective local management teams. In addition, the group has experienced and stable senior managers at the regional levels with significant experience and understanding of their respective markets and regions. SMRP BV Group's strategy is to empower local management, ensuring they have ownership of day-to-day operational decisions while being guided by central principles aligned to the Group's vision and strategy. The Group believe that the strength of management team combined with decentralized business model is an enabler to taking advantage of strategic market opportunities, to making decisions at the local level quickly and to better serve our customers.

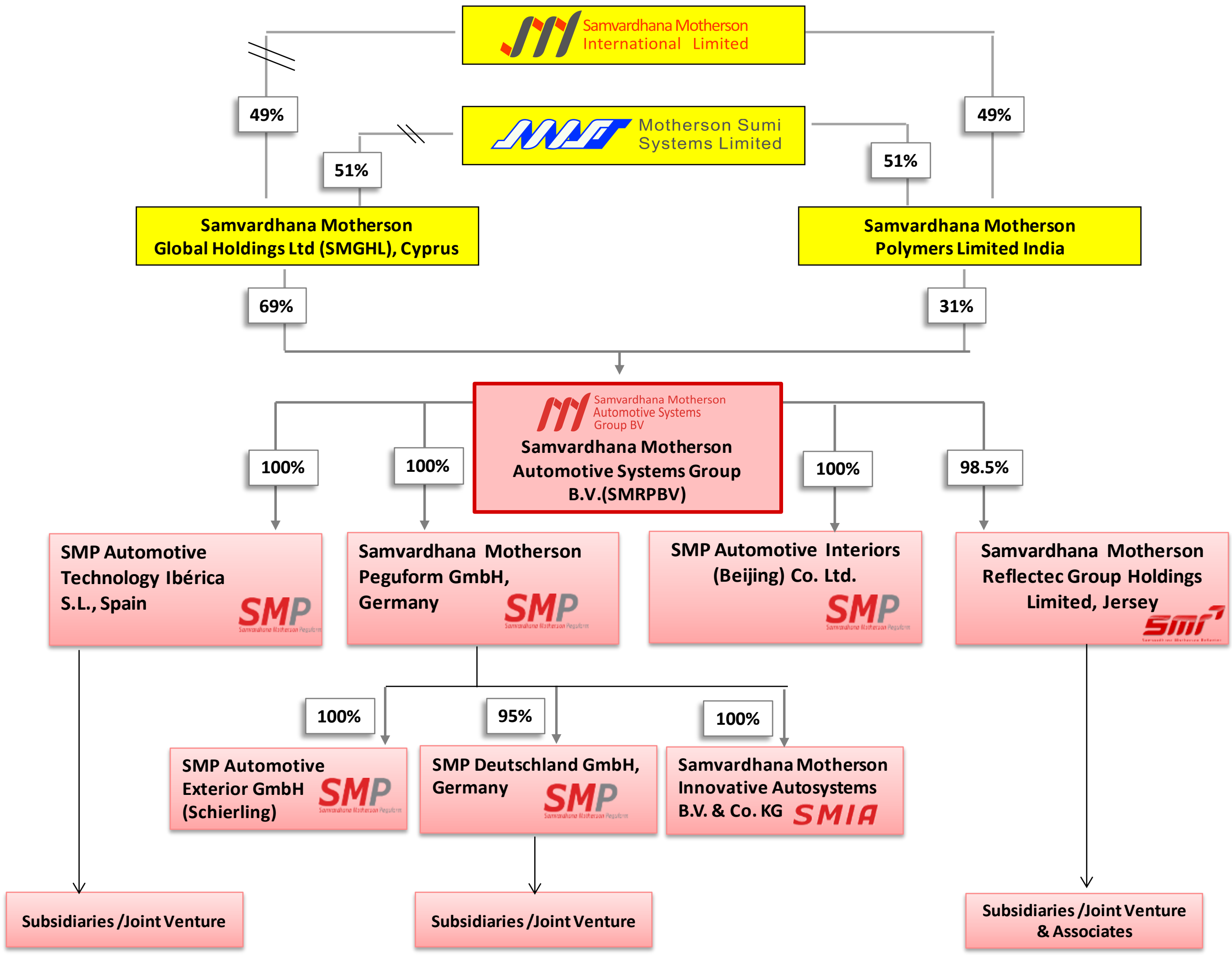
As on March 31, 2015, SMRP BV Group had a total of 21,297 employees. From time to time, the company employs staff on short-term basis to meet the demand for the products. These employees are typically employed under fixed-term contracts, generally of up to twelve months in duration which allows operational flexibility to meet customer demand.

The following chart sets out the total number of persons employed by the company in SMP (including SMIA) and SMR businesses:



GROUP STRUCTURE

The following diagram represents the Corporate Structure of SMRP BV Group along with details of its principal shareholders :



Corporate Structure as at date and is not a legal structure.

CHANGES IN SHAREHOLDING :

(i) On June 13, 2014, SMRP BV acquired shareholding of Samvardhana Motherson Reflectec Group Holdings Limited (SMR) from Samvardhana Motherson Group Holdings Limited, Cyprus in share exchange deal wherein SMGHL transferred its entire shareholding (including acquired on June 9, 2014 from minority shareholders) to SMRP BV in exchange of 45,676 shares of a nominal value of euro one each issued by SMRP BV and consequently SMRP BV has become subsidiary of SMGHL. Shareholders of SMRP BV have approved allotment of shares to SMGHL in their meeting dated June 13, 2014. This transaction was done under “common control” as defined by IFRS, the activities of SMR Group have been included in these consolidated accounts using the predecessor accounting method.

(ii) On June 24, 2014, Samvardhana Motherson Automotive Systems Group B.V acquired 16.28% stake held by PF Beteiligungsverwaltungs (Cross Industries AG). PF Beteiligungsverwaltungs had exercised put option for 16.28% held by them in SMP Deutschland GmbH and SMP Automotive Technology

Iberica S.L. in accordance with the framework agreement. Consequent to this buy out SMPRBV along with SMGHL holds 100% in SMP Deutschland GmbH and SMP Automotive Technology Iberica S.L.

CORPORATE INFORMATION

MANAGEMENT BOARD :

The Management Board of the company is responsible for managing day to day business and to legally represent the company in its dealing with third parties while maintaining high standards of corporate governance and corporate responsibility. Management Board consists of following members:

1.	Laksh Vaaman Sehgal	Chairman and Chief Executive Officer
2.	Andreas Heuser	Managing Director and Head of Corporate, Europe & Americas-SMG
3.	Jacob Meint Buit	Resident Managing Director

SUPERVISORY BOARD :

The Supervisory Board of the company is responsible for supervising the management board's policy and course of action and to supervise the general conduct of the affairs of the company and any business it may be affiliated with. The supervisory board assists the management board in an advisory capacity and have to carry out their duties in the interest of the company. Supervisory Board consists of following members:

1.	Vivek Chaand Sehgal	Director and Chairman SMG
2.	Bimal Dhar	Director and Chief Executive Officer-SMP
3.	Cezary Zawadzinski	Director and Chief Operating Officer-SMR
4.	G.N. Gauba	Director
5.	Kunal Malani	Director

The above composition of Management & Supervisory Board is as on date.

AUDITORS :

The statutory auditors of the company are :

PricewaterhouseCoopers Accountants N.V.
Fascinatio Boulevard 350,
3065 WB Rotterdam,
P.O. Box 8800,
3009 AV Rotterdam,
The Netherlands

REGISTERED OFFICE :

The registered office of the company is under :
Claude Debussylaan 24-1082 MD Amsterdam
The Netherlands

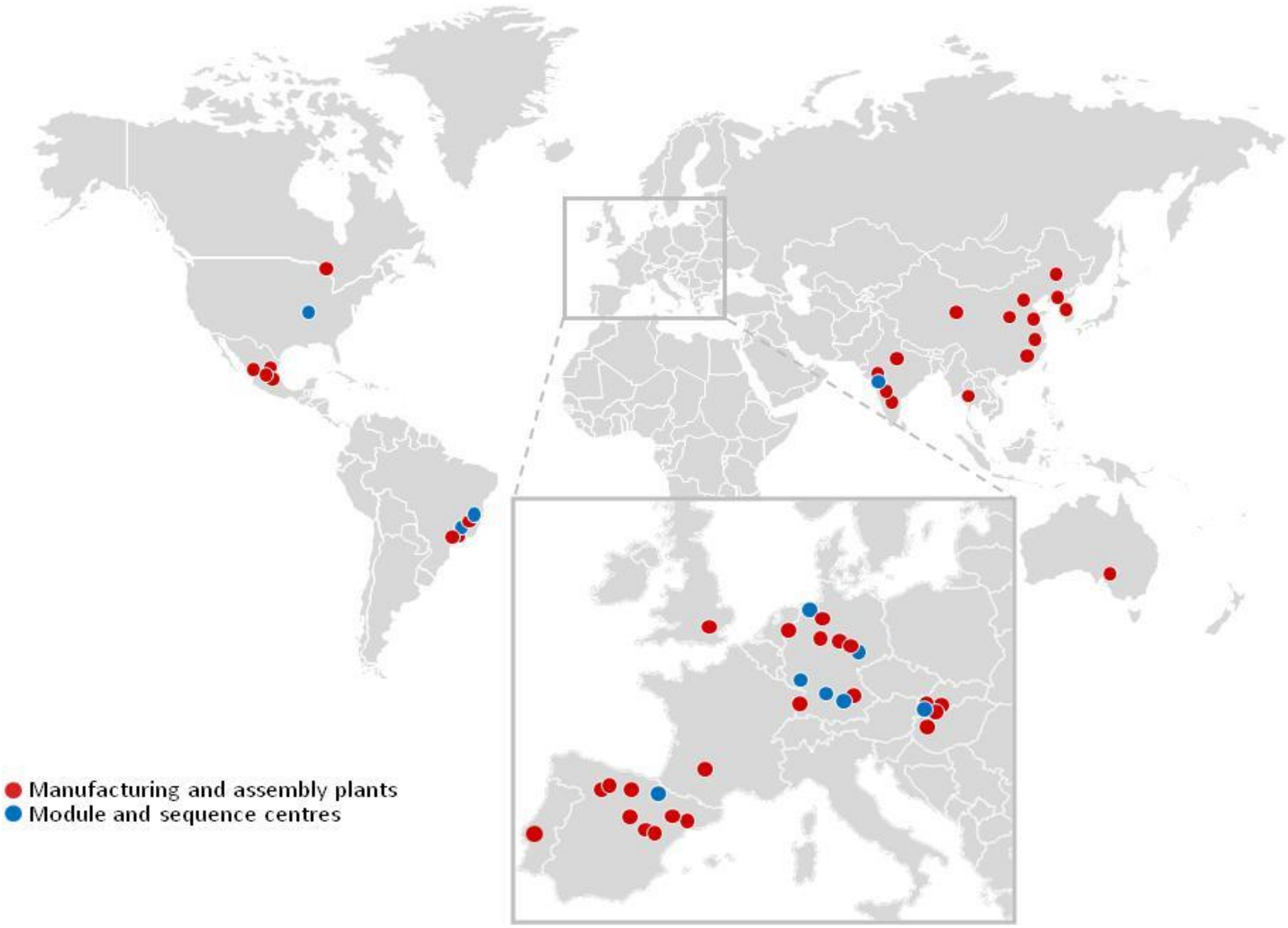
GEOGRAPHICAL FOOTPRINT

SMRP BV Group operate 45 manufacturing facilities across 16 countries and 11 logistics centres. Out of 45 manufacturing plants, SMR operates 20 manufacturing plants, SMP operates 25 manufacturing plants (including 2 manufacturing plants of SMIA).

SMRP BV Group's global footprint enables strategic presence of manufacturing facilities with close proximity to the plants of OEM customers. This enhances the ability to supply to in a timely and cost efficient manner, particularly with respect to the majority of interior & exterior modules, including door panels, instrument panels and bumpers, which cannot typically be transported efficiently. In addition, consumer demand for vehicle personalisation in the premium segment has increased the complexities of interior and exterior modules, some of which could have hundreds of potential permutations and combinations. To overcome these challenges, SMRP BV assemble products in close proximity to the plants of OEM customers, and deliver them on "just-in-time" and "just-in-sequence" basis directly to customers' production lines with minimal lead times.

SMRP BV Group intends to continue to expand global footprint in line with the international expansion of main OEM customer's production footprint, particularly in emerging markets in Americas & Asia Pacific region.

Following chart provides an overview of SMRP BV Group's global footprint :



EXPANSION OF OPERATIONAL FOOTPRINT

Expansion in Europe

SMP Group has set up a greenfield plant in Schierling, Germany for exterior module business and the commercial production has started during the year ended March 31, 2015 which will gradually ramp up.

SMP Group has set up new paint line at Oldenburg, Germany for painting of exterior parts like bumpers and rocker panels. The commercial production from this new paint line has started during the year ended March 31, 2015. This paint line is going to enhance existing capacities and bring operational efficiencies.

SMP Group is also setting up brownfield production facility at Botzingen, Germany for manufacturing of natural fibre based door panels to meet new OEM orders. Commercial production is expected to start from Q3 of FY 2015-16.

SMP Group is also rebuilding its paint line at Polinya, Spain which was destroyed due to fire. The new paint line is going to be state of art facility and is expected to start commercial production from Q1 of FY 2015-16.

With focus on increased vertical integration, SMR Group has set up an actuator manufacturing & assembly line in France. Actuator is a key component of exterior mirror which is used to actuate the position of mirror through electrical circuits. SMR Group holds patents in some of the models of these actuators and these components are used in captive consumption at various plants of SMR Group. The commercial production has started in the year ended March 31, 2015.

Expansion in Asia Pacific

SMR Group is setting up greenfield plant at Chongqing, China for manufacture of exterior mirrors. This facility is located in Central China and would complement other manufacturing locations of SMR Group in China. Commercial production from this facility is expected to start from Q1 of FY 2015-16.

SMP Group is setting up greenfield plant at Beijing, China for manufacture of door panels for new orders. Commercial production from this plant is expected to start in Q1 of FY 2016-17.

SMP Group has set up a greenfield plant at Foshan, China for manufacture of plastic components. Commercial production from this plant has already started in the year ended March 31, 2015.

Expansion in Americas

SMR Group has set up a new plant at Michigan, USA for manufacturing of exterior mirrors. This facility has started commercial production towards later part of the year ended March 31, 2015 and is expected to ramp up gradually in FY 2015-16. This facility is set up to cater to new orders which have already been awarded to SMR Group and is going to significantly increase its market share in North America in next 2 years.

SMP Group is setting up greenfield plant in Zitlaltepec, Mexico for manufacture of bumpers, rocker panels, roof spoilers and wheel covers. Orders for this new facility have already been secured from the customers and the commercial production is expected to start from Q1 of FY 2016-17.

NEW ORDERS WON

SMRP BV Group continues to strengthen existing relationships with OEM customers and also simultaneously pursue opportunities to develop new OEM relationship. The company continues to maintain strong track record of repeat orders as well as expand new orders from OEM customers. SMRP BV group also intends to capitalise on current trend of OEMs consolidating their supplier base in order to capture greater value content in individual models. Further with the higher customer expectations of increased safety aspects, better aesthetics and higher feature content, there are also opportunities to increase feature content per component.

SMRP BV Group have been awarded incremental new orders for € 4.2 billion appx. during the year ended March 31, 2015. These new orders are estimated based on the estimated production volumes of vehicle programs throughout the program life. These new orders are well spread out geographically over various manufacturing locations and have been received from leading OEM customers. These orders are contributed by SMR for € 1.2 billion appx and by SMP (including SMIA) for € 3.0 billion appx.

Orders won by SMP Group include significant set of orders from Daimler for the supply of a range of exterior and interior systems for several future Mercedes-Benz vehicle generations. Estimated revenues from these orders are Euro 2.2 billion approx. over its lifetime and expected to commence from calendar year 2018.

To support Daimler's expansion activities, SMP Group will invest in 2 new plants, one each in the USA and Hungary which will enable SMRP BV to be closer to Daimler's vehicle assembly plants, along with capacity expansion in existing plants in Germany.

INDUSTRY OVERVIEW

The global automotive industry designs, develops, manufactures, sells and services light vehicles and heavy commercial vehicles. The light vehicle segment consists of passenger cars, vans and light truck weighing less than six tons, while the heavy vehicle segment is generally defined as the market for vehicles weighing in excess of six tons. The automotive production value chain is broken down into OEMs and automotive part suppliers. These automotive part suppliers are further segmented into three Tiers. Tier 1 automotive suppliers sell their products directly to OEMs. Typically these products are larger modules or systems which integrates components, sometimes sourced from Tier 2 automotive suppliers. Tier 2 suppliers sell individual components to Tier 1 suppliers, which components or component groups in turn typically integrate individual parts produced by and purchased from Tier 3 suppliers. Automotive suppliers are typically further divided into sub-segments based on their product or systems function within the car. A typical classification of automotive supplier by vehicle function could include the following sub-segments: powertrain, body & structural, exterior, interior, length, transmission and suspension.

KEY TRENDS AFFECTING THE AUTOMOTIVE SUPPLIER INDUSTRY

SMRP BV Group's revenues are primarily derived from sales of automotive components to global OEM customers operating in the light vehicle industry and, as a result, SMRP BV Group operations are affected by general trends in the automotive industry and global light vehicle production volume and the content per vehicle for the components and systems produced by such suppliers. Suppliers typically have contracts that cover the full life of a vehicle platform or model range, which usually have an average life of five to seven years. Certain components, such as bumpers and exterior lighting, may be updated part-way through the vehicle model lifecycle in what is referred to as a “mid-cycle refresh” action.

The actual production volume of a given vehicle program is rarely fixed and may vary from OEM projections depending on consumer demand. General economic conditions and consumer confidence levels generally have a significant impact on vehicle demand, with more minor impacts resulting from changes in regulations and government policies.

Other specific factors that can influence automotive production include changing demographics (e.g. population growth, aging and urbanization), evolving consumer preferences, levels of consumer disposable income, replacement requirements of old vehicles and affordability.

Globalization of platforms

OEMs are continuing to increase the number of vehicles built on a single platform in an effort to reduce the time and resources spent on the development of new platforms. Vehicle platform-sharing allows OEMs to build a greater variety of vehicles from one basic set of engineered components, lowering overall costs by spreading development expenses over a greater number of units produced. By implementing “platform-sharing” globally, OEMs are able to realize significant economies of scale. To support this strategy, OEMs require suppliers to match the size, scale and geographic footprints of these platforms. SMRP BV Group with a global footprint, broad product offering and the requisite manufacturing expertise are well-positioned to benefit from such platform-sharing because there is no restriction by the high barriers to entry associated with the global supply of a broad product portfolio and are able to efficiently respond to customers' local needs. In addition, higher production volumes across fewer platforms are expected to result in cost savings for suppliers, as they further standardize and optimize their operations.

Localization of production in emerging markets

Increasing disposable income and low existing vehicle production, as well as the development of efficient road infrastructure, are also driving the demand for light vehicles in emerging markets. As a result of increasing local demand combined with low manufacturing costs and lack of import duties for locally manufactured products, global OEMs are increasingly expanding their production and sales networks in emerging markets. This has been a particularly significant trend in the premium segment, which has been the most rapidly growing light vehicle segment in recent years. Leading global premium car makers such as Audi, BMW, Daimler and Jaguar Land Rover have historically exported a significant proportion of their production from Europe and North America to major emerging markets such as China and Brazil. As sales in these markets are projected to continue their rapid growth, most major global premium car makers have announced plans to expand their local production footprints. SMRP BV Group is well positioned to realize growth opportunities in emerging markets by following their customers due to strong OEM relationships.

Increased outsourcing leading to a high OEM dependency on external suppliers

As OEMs focus their resources on automobile final assembly, OEMs are increasingly looking to external suppliers for content they have historically produced in-house. This trend is underpinned by OEMs’ growth outside their home markets, consumer expectations with regard to product complexity and feature integration and an increased focus on safety and the environment. Suppliers can benefit from economies of scale derived from serving various customers on a global scale, while OEM customers may find more difficulty in achieving similar cost and quality levels in-house. The outsourcing trend has led to an increase in OEM dependency on suppliers capable of managing complex projects while maintaining high quality standards across multiple geographies. Furthermore, while know-how is still being developed by suppliers and product design is still largely controlled by OEMs, there is an increasing collaboration between OEMs and Tier 1 suppliers from a vehicle program's initial stages. These research and development partnerships between OEMs and suppliers seek to achieve long-term strategic cooperation in line with the OEMs' cost reduction initiatives.

Consolidation of supplier base

In order to take advantage of the operational economies of scale, OEMs are encouraging consolidation of their supplier base with an increased focus on large, technically and financially strong global suppliers capable of producing consistent and high-quality products across multiple production regions. The OEMs use a number of factors to determine their preferred suppliers including, among other things, product quality, service (including location, service interruptions and on-time delivery), in-house research & development and technological capabilities, overall track record and quality of relationship with the OEM, production capacity, financial stability and product price.

KEY GROWTH TRENDS IN PRODUCT SEGMENTS

Increasing safety features

Stricter legal requirements, a consumer preference for safer vehicles and increasing traffic volumes are driving the development of new features to enhance driver, passenger and pedestrian safety. Most new safety technologies are based on electronic components, in particular sensors, which typically have high value content. Suppliers with strong technological capabilities and expertise in electronic systems are well positioned to benefit from this trend. SMRP BV Group with expertise in the integration of complete systems and modules will benefit from the increased use of electronic driver and pedestrian safety aids, as added electronics content can significantly increase the value of a complete module. The introduction of new safety technologies is typically led by the premium segment, but many key safety technologies are increasingly migrating into higher-volume segments.

Higher consumer expectations of interior quality, aesthetics and comfort

Interior design is generally customized for each individual model program, and represents one of the main distinctive features of the vehicle. Interior quality and comfort represent important factors that can greatly influence a consumer's vehicle selection, and are evaluated through a number of criteria such as visual ambiance, functionality, acoustics, aesthetics, new styling solutions and quality of finish. The trend towards higher consumer expectations for interior content is increasingly evident in OEMs' demands for improved fit, finish and craftsmanship in interiors across all vehicle segments. OEMs are dedicating a larger portion of total cost per vehicle to interior components as they "upscale" vehicle interiors across their entire portfolio of platforms. Suppliers like SMRP BV Group with advanced design, materials science and manufacturing capabilities, with the ability to deliver a broad suite of interior component products at the quality levels OEMs demand, benefits from these trends. Furthermore, this trend has led to a recent migration of high-priced, sophisticated luxury components from premium into higher-volume segments, thus benefiting the experienced suppliers of sophisticated components to the premium segment such as us.

Environmental initiatives

Regulatory changes and shifting consumer preferences have driven OEMs and suppliers to increase their focus on producing “environmentally friendly vehicles,” with emphases on fuel efficiency, reduced emissions and the use of sustainable materials. The increasing need for components that are lightweight and environmentally friendly will continue to provide an opportunity for differentiation as OEMs strive to reduce the ecological footprint of their vehicles. Recyclability of synthetic materials, such as plastics, has become of increasing importance amid strengthening regulatory requirements for recyclability of vehicles, in particular in Europe. This increasing trend toward environmental friendliness is driving the development of bio-based renewable materials by suppliers, which can be up to 100% recyclable. Suppliers at the forefront of recyclable and renewable materials will be well-positioned to capitalize on this growing demand.

FINANCIAL OVERVIEW FOR THE YEAR ENDED MARCH 31, 2015

Samvardhana Motherson Automotive Systems Group BV's Board has approved its Audited Financial Statements for the year ended March 31, 2015.

BACKGROUND

Samvardhana Motherson Automotive Systems Group BV together with its subsidiaries (hereinafter referred to as "SMRP BV Group" or "the Group") business consists of Samvardhana Motherson Reflectec Group (SMR Group) and Samvardhana Motherson Peguform Group including Samvardhana Motherson Innovative Autosystems (SMIA) together referred to as SMP Group.

SMRP BV is a private company with limited liability, incorporated under the laws of the Netherlands on October 07, 2011. Its registered office and principal place of business is situated at Claude Debussylaan 24 - 1082 MD Amsterdam, The Netherlands.

SMR Group represents the acquired business of Visiocorp Plc which was acquired in March 2009. SMP Group represents acquired business from Peguform Group acquired in Nov 2011. SMP Group also includes acquired business of Scherer & Trier (Renamed as SMIA) in February 2015. Results for the current year ended March 31, 2015 includes two months performance of this acquired business.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("IFRS EU"). These financial statements of the Company have been prepared for the financial year beginning April 01, 2014 and ending on March 31, 2015.

During the year ended March 31, 2014 the Company changed its financial year from January-December to period from April to March. Therefore, the figures for previous financial year comprise a period of 15 months from January 1, 2013 to March 31, 2014.

On June 13, 2014, SMRP BV acquired 98.45% shareholding of Samvardhana Motherson Reflectec Group Holdings Limited (SMR Jersey) from Samvardhana Motherson Group Holdings Limited (SMGHL), Cyprus in share exchange deal wherein SMGHL transferred its entire shareholding (including acquired on June 9, 2014 from minority shareholders) to SMRP BV in exchange of 45,676 shares of a nominal value of € 1 each issued by SMRP BV and consequently SMRP BV has become subsidiary of SMGHL. Shareholders of SMRP BV have approved allotment of shares to SMGHL in their meeting dated June 13, 2014.

As this transaction is done under "common control" as defined by IFRS, the activities of SMR Group have been included in these consolidated accounts using the predecessor accounting method, e.g. the financial statements have been consolidated as of 1 January 2013." i.e. the audited consolidated financial statements for year ended March 31, 2015 have been prepared incorporating the financial performance of SMR Group for full twelve months i.e. From April 1, 2014 to March 31, 2015. And corresponding figures for the previous period were for fifteen months period i.e. From January 1, 2013 to March 31, 2014 and hence SMR Group has also been incorporated for same period in the prior period.

Due to the changes mentioned above, the comparative figures presented are partly not comparable. This relates especially to the comparable figures in the income statement. Therefore in addition to the fifteen months comparative period as given in consolidated financial statements, the twelve month comparative figures for the years ended March 31, 2014 and 2013 is disclosed to facilitate the meaningful comparison.

The twelve month comparative figures are taken from the audited combined financial statements comprising of the consolidated financial statements of SMRBV Group and the consolidated financial statements of SMR Group for the years ended March 31, 2014 and 2013 as presented in the offering memorandum dated June 26, 2014 published by the company while offering €500 Million Senior Secured Notes in June 2014.

SUMMARY FINANCIALS

Following are the summary financials for the year ended March 31, 2015 :

Income Statement	As per Consolidated Financial Statements						As per Combined Financial Statements					
	12M ended March 31, 2015			15M ended March 31, 2014			12M ended March 31, 2014			12M ended March 31, 2013		
€ millions	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR
Revenue	3,484.1	2,246.1	1,238.3	3,719.7	2,373.3	1,346.4	2,996.9	1,915.9	1,082.1	2,792.1	1,822.6	969.7
EBITDA	259.5	138.4	121.1	237.4	113.1	124.3	205.4	104.1	101.3	124.0	60.3	63.7
% to Revenue	7.4%	6.2%	9.8%	6.4%	4.8%	9.2%	6.9%	5.4%	9.4%	4.4%	3.3%	6.6%
EBIT	172.5	82.5	90.0	133.0	42.5	90.5	119.1	46.8	72.3	44.6	5.1	39.5
% to Revenue	5.0%	3.7%	7.3%	3.6%	1.8%	6.7%	4.0%	2.4%	6.7%	1.6%	0.3%	4.1%

Adjusted EBITDA	As per Consolidated Financial Statements						As per Combined Financial Statements					
	12M ended March 31, 2015			15M ended March 31, 2014			12M ended March 31, 2014			12M ended March 31, 2013		
€ millions	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR
EBITDA	**259.5**	**138.4**	**121.1**	**237.4**	**113.1**	**124.3**	**205.4**	**104.1**	**101.3**	**124.0**	**60.3**	**63.7**
Negative Goodwill (SMIA)	13.3	13.3	-	-	-	-	-	-	-	-	-	-
Adjusted EBITDA	**246.2**	**125.1**	**121.1**	**237.4**	**113.1**	**124.3**	**205.4**	**104.1**	**101.3**	**124.0**	**60.3**	**63.7**
% to Revenue	**7.1%**	**5.6%**	**9.8%**	**6.4%**	**4.8%**	**9.2%**	**6.9%**	**5.4%**	**9.4%**	**4.4%**	**3.3%**	**6.6%**

Statement of Financial Position	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013
Total Assets	1,797.7	1,380.7	1,338.5
Debt	585.3	487.8	563.2
Cash	184.1	85.7	58.9
Net Debt	401.2	402.1	504.3

Key Ratios#	Allowed	Status As at March 31, 2015
Gross Leverage Ratio: Indenture	3.50x	2.43x
Net Leverage Ratio : RCF	3.25x	1.67x

Computed as per definitions given in Indeture & RCF agreements

COMPONENTS OF REVENUE & EXPENSES

REVENUE

SMRP BV Group's revenues for the year ended March 31, 2015 were € 3,484.1 million which is higher than the revenues for the year ended March 31, 2014 at € 2,996.9 million and for the year ended March 31, 2013 at € 2,792.1 million. This represents growth of approximately 16% in year ended March 31, 2015 and 7% in year ended March 31, 2014 over corresponding previous year.

This increase in revenue is primarily due to consistent increase in revenues, both for SMP and SMR businesses in last three years.

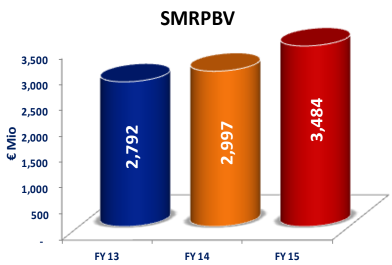
SMP revenues have increased from € 1,822.6 million for the year ended March 31, 2013 to € 1,915.9 million for the year ended March 31, 2014 to € 2,246.1 million for the year ended March 31, 2015. This represents growth of approximately 5% in year ended March 31, 2014 and 17% in year ended March 31, 2015 over corresponding previous year.

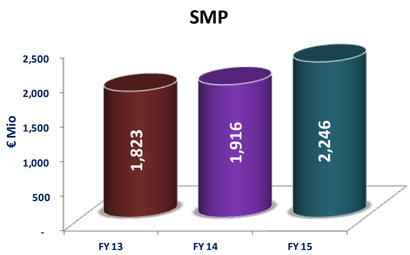
Increase in SMP revenues for the year ended March 31, 2015 is primarily due to increased revenue from commencement of new Greenfield site at Schierling, Germany, strong demand from the Spanish market, increased revenues from German OEMs, higher engineering sales for new projects and revenues for two months from SMIA (newly acquired entity). This revenue increase was partly offsetted by weak demand in Brazilian market.

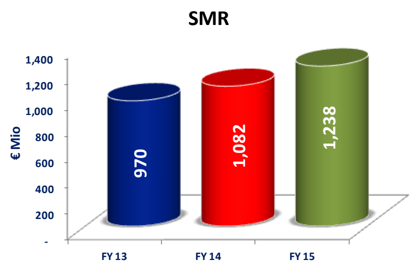
SMR revenues have increased from € 969.7 million for the year ended March 31, 2013 to € 1.082.1 million for the year ended March 31, 2014 to € 1,238.3 million for the year ended March 31, 2015. This represents growth of approximately 12% in year ended March 31, 2014 and 14% in year ended March 31, 2015 over corresponding previous year.

Increase in SMR revenues for the year ended March 31, 2015 is due to increased revenue from Americas due to strong rebound in demand, ramp-up of revenues from new plant at Brazil and increased sales in Spain, Korea and China.

Split of revenue between SMP and SMR was as under:



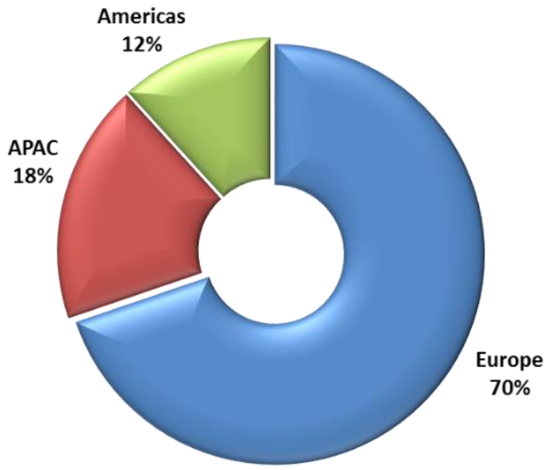




SMP, which is the interior & exterior module business, contributed 64% of the revenues and SMR, which is interior & exterior mirror business contributed 36% of the revenue for the year ended March 31, 2015. This is consistent to the revenue split between both these businesses for the year ended March 31, 2014 where SMP was 64% of the revenue and SMR was 36% of the revenue.

Geographical Spread of Revenues

During the year ended March 31, 2015, 70% of the revenues were contributed by European region, followed by APAC region 18% and Americas region 12%. The geographical spread of revenues is consistent with the previous years. European region is largely serviced to German OEMs like Audi, VW, Daimler, BMW, Porsche, JLR, Seat etc. While the company envisage healthy revenue growth across various geographies on consolidated basis but geographical spread of revenues would further diversify with commencement of commercial supplies from new plants under construction at USA, Mexico and China. The following chart shows the revenue breakdown by geography for the year ended March 31, 2015:

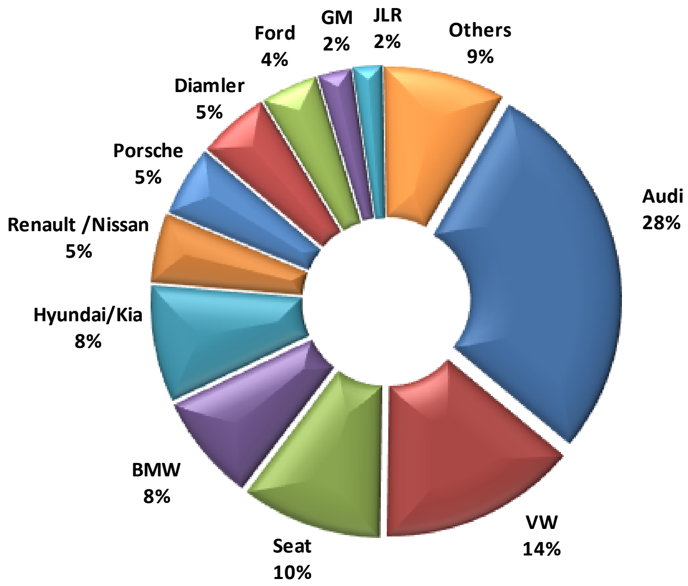


Diversified Customer Portfolio

SMRP BV Group is a trusted partner and strategic Tier I supplier to leading global OEMs and have well established strategic relationships with several OEMs across the globe. The ability to support OEMs in every phase of product development process differentiates the company from many of the competitors and given the substantial investment & time that would be required to replicate company's global footprint, strengthens the status of SMRP BV Group as a preferred partner to most of the leading OEMs in the automotive industry. The company is able to engage with customers during the early stages of collaborative development projects which regularly enables the company to introduce company's products into vehicle's designs phase. This collaboration when combined with close proximity to customer, technological leadership, demonstrated reliability and financial stability results into maintaining strong track record by not only winning repeat orders but new global upcoming platforms.

Customer profile of SMRP BV Group is very well diversified with Audi as the single largest customer contributing to 28% of total revenues. VW, Seat, BMW, Hyundai/Kia, Renault/Nissan, Porsche, Daimler, Ford, GM and JLR are other major customers of the company.

The following chart shows the revenue breakdown by customers for the year ended March 31, 2015:

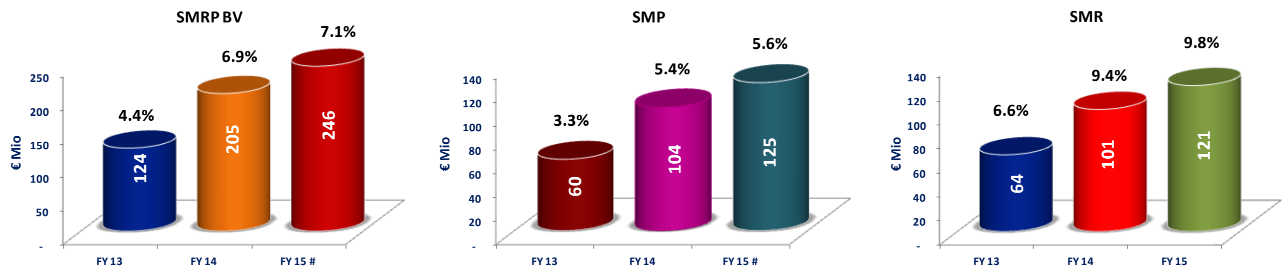


EBITDA

There has been a consistent improvement in EBITDA performance for SMRP BV Group. EBITDA for the year ended March 31, 2015 was at € 259.5 million representing 7.4% of revenues. However, excluding the impact of negative goodwill € 13.3 million arising out of acquisition of Scherer & Trier adjusted EBITDA was at € 246.2 million representing 7.1% of revenues.

EBITDA was at € 205.4 million representing 6.9% of revenue and € 124.0 million representing 4.4% of revenue for the year ended March 31, 2014 and March 31, 2013 respectively.

Split of adjusted EBITDA between SMP and SMR was as under:



EBITDA improvement has been largely driven by start of new orders won post acquisition, start/ramp-up of production from new facilities, consistent operational improvements at the shop floor, utilising Group synergies and operating leverage due to higher revenues.

COST OF MATERIAL

Cost of materials includes purchases of raw materials, purchases of goods and tools for resale, discounts for prompt payment, purchase returns and similar transactions, volume discounts, changes to inventories, consumption of other supplies and purchase of pre-constructed components. These are primarily variable in nature based on the product mix sold during the period. Cost of material was at € 2,324.4 million which accounted for 66.7% of revenues for the year ended March 31, 2015. This is higher as compared to € 1,974.9 million which accounted for 65.9% of revenues for the year ended March 31, 2014. This increase is primarily due to higher engineering sales coupled with changes in product mix. For the year ended March 31, 2013 cost of material was € 1,870.2 million which accounted for 67.0% of total revenues.

PERSONNEL COSTS

Personnel expenses include wages, salaries, paid labor rendered by third parties, employer's social security contributions and other welfare expenses. Personnel expenses are primarily driven by the size of our operations, our geographical reach and customer requirements. Personnel expenses were at € 637.2 million which accounted for 18.3% of revenues for the year ended March 31, 2015. Personnel cost for the year ended March 31, 2014 were at € 571.5 million which accounted for 19.1% of revenues and € 549.3 million which accounted for 19.7% of revenues for the year ended March 31, 2013. This consistent improvement in personnel expenses as percentage of revenue is contributed by implementation of low cost automation on the shop floor, investments in improved equipment leading to productivity improvement and start/ramp-up of revenues from new projects.

OTHER OPERATING EXPENSES

Other operating expenses primarily consists of general administrative expenses, energy costs, repair & maintenance costs, rental & lease costs, freight & forwarding costs, auditors remuneration, net foreign exchange loss and legal & professional fees. Other operating expenses for the year ended March 31, 2015 were at € 341.1 million as compared to € 311.3 million for the year ended March 31, 2014 and € 286.9 million for the year ended March 31, 2013. Other operating expenses includes a business interruption expense of € 15.2 million for the year ended March 31, 2015 and € 15.6 million for the year ended March 31, 2014 resulting from a fire at SMP's paint facility in Polinya, Spain (There is also a corresponding income arising out of settlement of insurance claim accounted for under other operating income for of € 20.5 million for the year ended March 31, 2015 and € 17.4 million for the year ended March 31, 2014). As conservative accounting practice we don't capitalise any start-up costs for the new plants and consequently other operating expenses also includes start-up costs incurred on new facilities which are under construction. Expressed as percentage to revenue other operating expenses (excluding impact of business interruption expense as explained above) have shown improvement from 10.3% to 9.9% to 9.4% for year ended March 31, 2013, 2014 and 2015 respectively.

OTHER OPERATING INCOME

Other operating income primarily consists of income from development work & other recoveries from customers, income from derecognition of liabilities, recovery of proceeds from insurance claims, rental income, royalty income and subsidies or grants. Other operating income for the year ended March 31, 2015 were at € 78.1 million as compared to € 66.3 million for year ended March 31, 2014 and € 38.2 million for the year ended March 31, 2013. This includes an amount of € 20.5 million for the year ended March 31, 2015 and € 17.4 million for the year ended March 31, 2014 respectively from settlement of insurance claim for fire at SMP Polinya plant. During the year ended March 31, 2015, SMRP BV acquired assets of Scherer & Trier and this resulted in other operating income amounting to € 13.3 million representing excess of acquirer's interest in the fair value of the acquiree's identifiable asset, liabilities and contingent liabilities over cost.

DEPRECIATION & AMORTISATION

Depreciation & Amortisation refers to the amount recognized in our income statement under this concept reflecting the amortized value of the tangible and intangible assets on a straight-line basis over the estimated useful life of the asset. Depreciation & Amortisation for the year ended March 31, 2015 were at € 87.0 million and € 86.4 million for the year ended March 31, 2014 and € 79.4 million for the year ended March 31, 2013.

FINANCE COSTS/(INCOME)

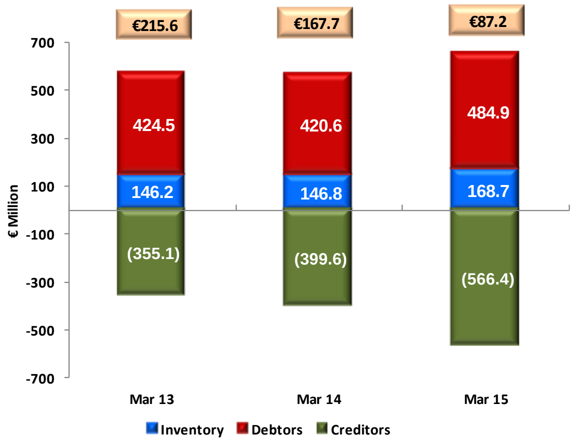
Finance cost consists primarily of interest expense on borrowings, finance leases and defined benefit obligations as well as foreign exchange losses on long-term loans. Finance income consists of interest income, return on plan assets under defined benefit obligations and foreign exchange gain. Net Finance cost for the year ended March 31, 2015 was at € 39.7 million as compared to € 14.0 million for the year ended March 31, 2014 and € 39.1 million for the year ended March 31, 2013. Finance costs for the year ended March 31, 2015 includes write-off of € 5.3 million towards unamortised upfront fees on various loans (taken for acquisition of Peguform Group and other loans) and € 1.7 million towards amortisation of expenses incurred in relation to fund raising from HY Bond. Net Finance cost for the year ended March 31, 2014 includes foreign exchange gains on long-term loans amounting to €15.1 million.

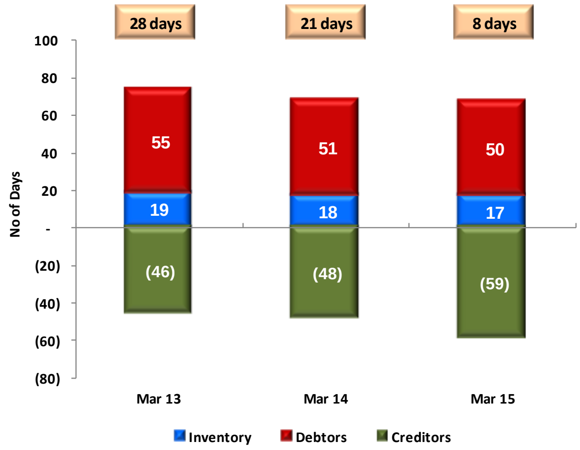
INCOME TAXES

Income tax represents the sum of tax currently payable and deferred tax under the laws of each jurisdiction in which the business is conducted. Income Tax was € 30.2 million for the year ended March 31, 2015, € 28.6 million for the year ended March 31, 2014 and € 20.3 million for the year ended March 31, 2013. Effective Tax Rate at consolidated level is stabilising and showing an improvement as the new plants have started generating profits.

TRADE WORKING CAPITAL

Trade Working Capital of the company comprised of Trade Receivables, Inventories and Trade Payables. Net trade working capital as at March 31, 2015 was at € 87.2 million, as at March 31, 2014 was at € 167.7 million and as at March 31, 2013 was at € 215.6 million. This represents consistent improvement in net trade working capital from 28 days for March 31, 2013 to 21 days for March 31, 2014 and to 8 days for March 31, 2015.





Analysis on each of these element are described below :

Trade Receivables

Trade Receivable represents the amount to be received from customers for which goods have already been sold and delivered to the customers or title of the property in goods have been transferred to customers. Trade receivable are recognised initially at fair value and carried at amortised cost. These are net of impairment due to delay or defaults which become likely in specific cases. The Company had Trade Receivables for € 484.9 million, € 420.6 million and € 424.5 million as at March 31, 2015, March 31, 2014 and March 31, 2013 respectively. These represent days on hand for 50 days, 51 days and 55 days respectively. This consistent reduction is primarily due to better management of receivables.

Inventories

Inventories represents the amount of raw material, work-in-progress and finished goods held by the company in normal course of business. Inventories are carried at the lower of the cost or net realisable value at the reporting date. These are net of impairment due to reduced market visibility or obsolescence. The Company had Inventory for € 168.7 million, € 146.8 million and € 146.2 million as at March 31, 2015, March 31, 2014 and March 31, 2013 respectively. These represent days on hand for 17 days, 18 days and 19 days respectively. These consistent reductions are primarily due to focussed efforts on inventory reduction at shop floor and intensify efforts on Vendor Managed Inventory to buy Just-In-Time/Sequence inventory from the suppliers.

Trade Payables

Trade Payables represents obligations to pay for goods or services that have been acquired in the ordinary course of business from the suppliers. Trade payables are carried at fair value. The Company had Trade Payables for € 566.4 million, € 399.6 million and € 355.1 million as at March 31, 2015, March 31, 2014 and

March 31, 2013 respectively. These represent days on hand for 59 days, 48 days and 46 days respectively. These consistent improvements are primarily due to better negotiations on the supplier payment terms, improved payment terms for engineering projects and suppliers for the capital equipment.

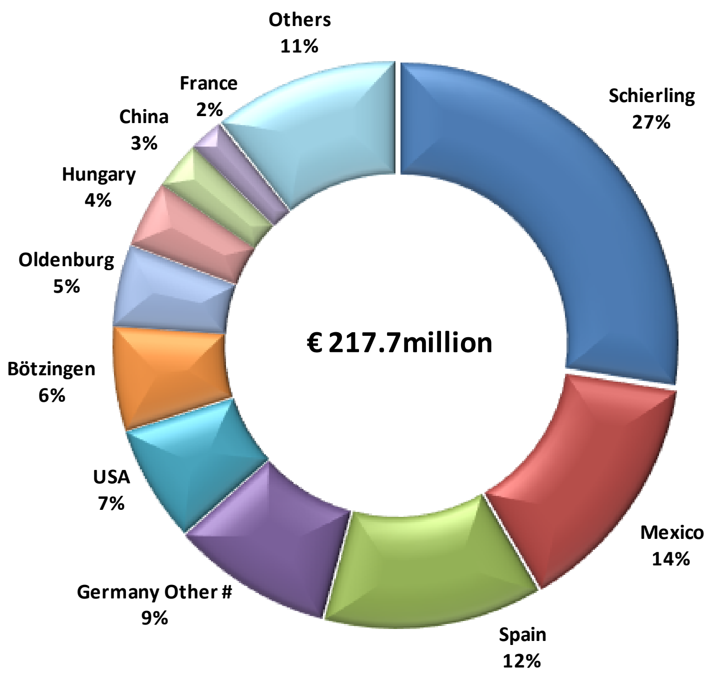
Days on hand are calculated based on 360 days basis

CAPITAL EXPENDITURE

SMRP BV Group's growth strategy includes expanding operations in line with customers' growth and sales order book. The company is one of the few suppliers in its product segment with a global engineering & manufacturing footprint and this strong geographical diversification enables the company to capitalise on global growth opportunities while mitigating the impact of any regional demand fluctuations. The company continuously assess the need for setting up Greenfield plants or expand capacities in existing plants to cater to new platforms with existing/new customers.

SMRP BV Group is also focussed on improving the cost base by enhancing the vertical integration of the manufacturing operations. Capital expenditure is also incurred to upgrade or replace key machineries utilised in manufacturing & assembly process to increase production efficiencies. The establishment period for new manufacturing facilities typically ranges between 12 and 24 months. Such capital expenditure primarily relates to the building of new manufacturing plants or increasing the capacities in existing plants in response to new orders from our customers. Capital expenditure is used primarily for investment in property, plant and equipment ranging from injection moulding machines, paint line, assembly lines and various auxiliary equipment for secondary operations.

Capital Expenditure incurred during the year ended March 31, 2015 was € 217.7 million. Break-up of major contributors of capital expenditure is depicted in below chart :



Germany Other is Germany excluding Schierling, Oldenburg & Bötzingen.

Approximately 66% of capital expenditure amounting to € 143.6 million for the year ended March 31, 2015 was incurred on new facilities/expansion. This was majorly contributed by capital expenditure on Greenfield plant at Schierling-Germany for € 59.2 million, Greenfield plant at Zitlaltepec- Mexico for € 22.3 million, new paint line at Polinya-Spain for € 19.8 million, new plant at Michigan-USA for € 14.1 million, brownfield expansion at Botzingen-Germany for € 12.9 million, new paint line at Oldenburg-Germany for € 10.0 million, vertical integration expansion at France for € 4.2 million and Greenfield plant at Beijing, China for € 1.1 million.

CASH FLOW

The following summarises cash flow information for the year ended March 31, 2015:

Statement of Cash Flows (€ millions)	For the year ended March 31, 2015	For the year ended March 31, 2014
Cash flow from operating activities before changes in working capital and income tax	249.1	179.3
Changes in working capital	103.6	92.7
Income tax paid	(38.9)	(32.0)
Cash flow from operating activities	**313.8**	**240.0**
Purchase of property, plant and equipment (including Pre-Payments)	(183.5)	(120.1)
Acquisition of Minority at SMP	(28.9)	
Acquisition of subsidiaries, net of cash acquired	(35.8)	
Others	6.0	3.4
Cash flow from investing activities	**(242.2)**	**(116.7)**
Proceeds from issue of bond (net of issue cost)	485.5	-
Proceeds from borrowings	75.9	117.8
Repayment of borrowings/finance leases	(428.0)	(210.0)
Net (Repayment)/Proceeds - Shareholders Loan	(68.3)	34.3
Interest Paid	(28.9)	(31.0)
Others	(12.0)	(6.1)
Cash flow from financing activities	**24.2**	**(95.0)**
Net increase in cash and cash equivalents	**95.8**	**28.3**
Cash and cash equivalents at the beginning of the period	85.8	58.9
Variation in cash and cash equivalents from translation in foreign currencies	2.5	(1.5)
Cash and cash equivalents at the end of the period	**184.1**	**85.8**

Operating Activities

Net cash generated from operating activities for year ended March 31, 2015 was € 313.8 million. Cash generated from operations before changes in working capital & income tax was € 249.1million. Due to efficient management of trade working capital, SMRP BV was able to release € 103.6 million from net working capital during the year ended March 31, 2015 which partly offsetted by Income Tax payment of € 38.9 million during the year ended March 31, 2015.

Investing Activities

Net cash flow utilised in investing activities during the year ended March 31, 2015 was € 242.2 million. This was primarily contributed by purchase of property, plant & equipment for € 183.5 million, acquisition of minority shareholding of 16.28% stake held by PF Beteiligungsverwaltungs (Cross Industries AG) in SMP

Deutschland GmbH and SMP Automotive Technology Iberica S.L. for a consideration of € 28.9 million and acquisition of Scherer & Trier for a consideration of € 35.8 million.

Financing Activities

Net cash flow generated from financing activities for year ended March 31, 2015 was € 24.2 million. This mainly constituted proceeds from secured bonds for € 485.5 million (net of bond expenses), utilisation of Revolving Credit Facility 1 for € 12.1 million and Revolving Credit facility 2 for € 34.0 million which were partly utilised to repay existing third party debts and finance lease liabilities for € 428.0 million and shareholder debt € 68.3 million. Interest payment on financial liabilities for the year ended March 31, 2015 was € 28.9 million, and dividend paid to non-controlling shareholders was € 12.0 million.

SIGNIFICANT FINANCING ARRANGEMENTS

During the year ended March 31, 2015, the Company, issued Euro 500,000,000 4.125% Senior Secured Notes due 2021 (the "Notes"). The Notes bear interest at a rate of 4.125% payable semi-annually on January 15 and July 15 of each year and will mature on July 15, 2021. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange.

The Notes carry a prepayment option and as per the terms of the indenture the Company may at any time on or after July 15, 2017, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to July 15, 2017, the Company is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a “make-whole” premium. In addition, prior to July 15, 2017, the Company may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.

The Notes are structured as senior secured obligations and will rank pari passu in right of payment with all the existing and future senior obligations of the Company, including the obligations under the Revolving Credit Facility and the Secondary Revolving Credit Facility. The Notes are guaranteed on a senior secured basis by certain subsidiaries of the Company and are secured by share pledge and security interests granted over certain property and assets of the Company and certain of its subsidiaries.

The gross proceeds from the issuance of the Notes, after meeting initial bond expenses, was utilised for repayment of Third Party Indebtedness, shareholder loans, working capital requirement and incurring capital expenditure at subsidiaries.

The Company also entered into Revolving Credit Facility Agreement with various banks on the date of issue of the Notes. The Company is the original borrower under the Revolving Credit Facility Agreement. The Revolving Credit Facility Agreement is guaranteed by the Guarantors, and will benefit from the same collaterals as the Notes. The Revolving Credit Facility Agreement establishes revolving facility that provides for borrowing of an aggregate principal amount of up to €125.0 million (the “Revolving Credit Facility”) available for financing working capital and general corporate needs of the Company and its subsidiaries as well as any permitted acquisitions and capital expenditure and funding any fees, costs and expenses. The facility matures in 2019. As on March 31, 2015, out of RCF 1, ancillary limits at Brazil and Thailand were utilised for €12.1 million to meet operational cash requirement for working capital.

On June 17, 2014 SMP Deutschland GmbH entered into a secondary revolving credit facility agreement (the “Secondary Revolving Credit Facility Agreement”) with Standard Chartered Bank in an amount of €50.0 million, which matures in 2016. The Secondary Revolving Credit Facility is guaranteed on a senior basis by the Company and the same subsidiaries of the Company that guarantee the Notes. The obligations under the Secondary Revolving Credit Facility are secured on a pari passu basis by first priority security interests, subject to certain permitted liens, in the same Collateral that secure the Notes, the Revolving Credit Facility and certain hedging obligations. This facility is used as required to finance the production of products to deliver under certain sales contracts (including payments to sub-contractors in relation to such production), reimbursement of amounts expended by the borrower in connection with productions of products or payments to subcontracts and funding any fees, costs and expenses. As on March 31, 2015, utilisation under this facility was for €34.0 million.

In additional to committed credit facilities, SMRP BV Group has also entered into various Receivable finance facilities or factoring agreements with various banks providing for sale of receivables. This provides additional liquidity to SMRP BV group.

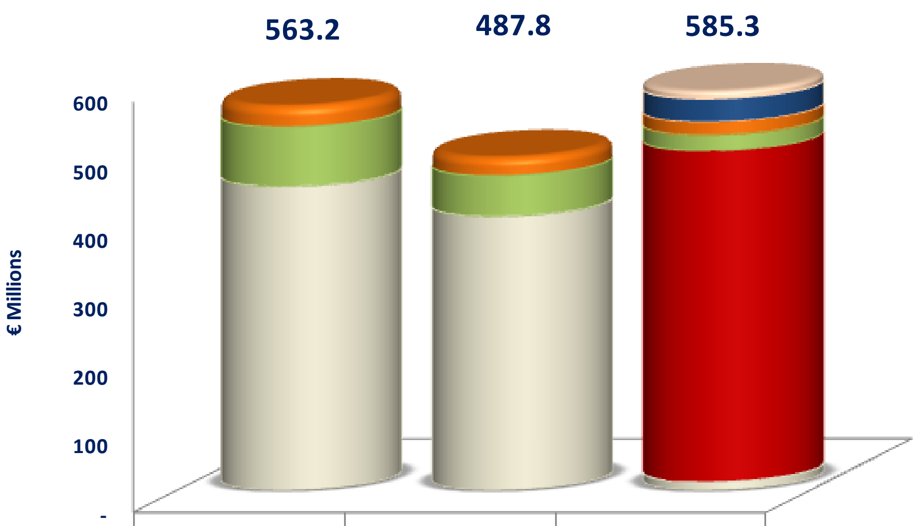
The Company has also set up additional uncommitted limits for € 30 million at subsidiaries in USA, Mexico and Spain to meet capital expenditure and working capital requirements during the year ended March 31, 2015.

DEBT & CASH

Gross Debt

Gross Debt as at March 31, 2015 was € 585.3 million against € 487.8 million as at March 31, 2014 and € 563.2 million as at March 31, 2013. Increase in Gross debt during the year ended March 31, 2015 was primarily on account of significant capital expenditure incurred on Greenfield expansion.

Break-up of Gross Debt into various facilities is as under:

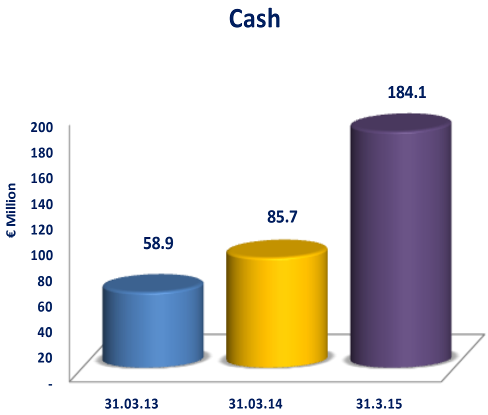


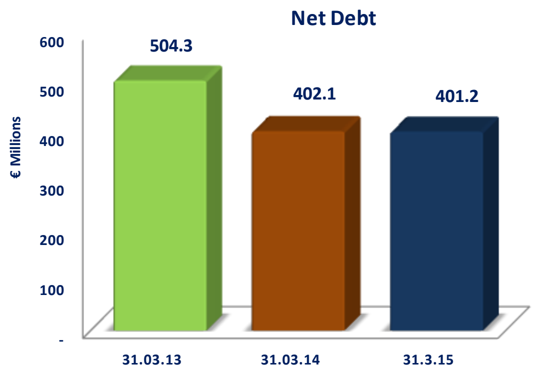
	31.03.13	31.03.14	31.3.15
RCF 1			12.1
RCF 2			34.0
Finance Lease	31.3	27.3	18.7
Working Capital	87.2	59.5	23.1
HY Bond			485.5
Term/Shareholder	444.7	401.0	11.9

Cash & Net Debt

Cash and cash equivalent was € 184.1 million as at March 31, 2015, € 85.7 million as at March 31, 2014 and € 58.9 million as at March 31, 2013. Cash balance as at March 31, 2015 was higher as compared to previous year primarily due to realisation on engineering projects towards the end of the year alongwith higher business activities in Q4 of FY 2014-15.

Net Debt was € 401.2 million as on March 31, 2015, € 402.1 million as on March 31, 2014 and € 504.3 million as on March 31, 2013.





LIQUIDITY ANALYSIS

SMRP BV Group's liquidity requirements arise principally from operating activities, capital expenditure for new facilities, maintenance & expansion capital expenditure, short term investments in engineering projects for customer new product launches, repayment of borrowings and debt service obligations. Principal source of funding includes cash from operations, committed credit lines, short-term loans and overdraft facilities at some of the operating entities.

Cash generated from operating subsidiaries is utilised to finance growth within the operations of such subsidiary or is transferred to holding companies through the payment of dividends or inter-company loans. In most cases there are no significant obstacles or barriers for such transfer of funds but these are always subject to local jurisdictions at respective country.

As at March 31, 2015 SMRP BV Group had significant liquidity under committed revolver credit facilities as follows:

€ in Millions	Sanctioned Limit	Utilised as at Mar 31, 2015	Liquidity Available
RCF 1 (including Ancilary facility)	125.0	12.1	112.9
RCF 2	50.0	34.0	16.0
Cash and Cash Equivalent			184.1
Total Liquidity Available			**313.0**

Status of leverage ratio for the year ended March 31, 2015:

Key Ratios#	**Allowed**	**Status As at March 31, 2015**
Gross Leverage Ratio: Indenture	3.50x	2.43x
Net Leverage Ratio : RCF	3.25x	1.67x

Computed as per definitions given in Indeture & RCF agreements

Due to strong operating performance supported by efficient management of working capital the company has been able to significantly improve the leverage rations. It is clearly evident from status of leverage ratios as at March 31, 2015 that the company has significant headroom available for generating additional liquidity through borrowings for any growth opportunities and business contingencies.

Independent auditor's report

To: the general meeting of Samvardhana Motherson Automotive Systems Group B.V.

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements 2014/2015 which are part of the financial statements of Samvardhana Motherson Automotive Systems Group B.V., Amsterdam, which comprise the consolidated statement of financial position as at 31 March 2015, the consolidated income statement, the consolidated statement of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility

The directors are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the directors are responsible for such internal control as they determine is necessary to enable the preparation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

Ref.: e0355865

PricewaterhouseCoopers Accountants N.V., Fascinatio Boulevard 350, 3065 WB Rotterdam, P.O. Box 8800, 3009 AV Rotterdam, The Netherlands
T: +31 (0) 88 792 00 10, F: +31 (0) 88 792 95 33, www.pwc.nl

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion with respect to the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Samvardhana Motherson Automotive Systems Group B.V. as at 31 March 2015, and of its result and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2:393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the directors' report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2:392 sub 1 at b-h has been annexed. Further we report that the directors' report, to the extent we can assess, is consistent with the consolidated financial statements as required by Section 2:391 sub 4 of the Dutch Civil Code.

Rotterdam, 1 June 2015
PricewaterhouseCoopers Accountants N.V.

Original has been signed by: N.W. Over de Vest RA

Independent auditor's report

To: the general meeting of Samvardhana Motherson Automotive Systems Group B.V.

Report on the company financial statements

We have audited the accompanying company financial statements 2014/2015 which are part of the financial statements of Samvardhana Motherson Automotive Systems Group B.V., Amsterdam, which comprise the company statement of financial position as at 31 March 2015, the company income statement, the company statement of comprehensive income, changes in equity and cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information.

Directors' responsibility

The directors are responsible for the preparation and fair presentation of these company financial statements in accordance with International Financial Reporting Standards as adopted by the European Union and with Part 9 of Book 2 of the Dutch Civil Code, and for the preparation of the directors' report in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the directors are responsible for such internal control as they determine is necessary to enable the preparation of the company financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these company financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the company financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the company financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the company financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the company financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the company financial statements.

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Rotterdam, 1 June 2015
PricewaterhouseCoopers Accountants N.V.

Original has been signed by: N.W. Over de Vest RA

All amounts in Euro'000, unless otherwise stated

A.1 Consolidated Statement of Financial Position

	Note	March 31, 2015	March 31, 2014
Assets			
Intangible assets	**A.6.4.1**	36,620	30,773
Property, plant and equipment	**A.6.4.2**	786,951	596,132
Investment properties	**A.6.4.3**	11,000	11,267
Joint ventures, accounted for using the equity method	**A.6.4.4**	27,095	18,195
Associates, accounted for using the equity method	**A.6.4.5**	307	307
Other financial instruments	**A.6.4.6**	5	24
Trade receivables and other assets	**A.6.4.8**	27,925	22,224
Deferred tax assets	**A.6.6**	22,471	14,841
Non-current assets		**912,374**	**693,763**
Inventories	**A.6.4.7**	168,710	146,764
Trade receivables	**A.6.4.8**	458,949	403,830
Tax receivables	**A.6.4.8**	283	309
Other financial instruments	**A.6.4.6**	1,169	8
Other receivables	**A.6.4.8**	72,073	50,295
Cash and cash equivalents	**A.6.4.9**	184,144	85,701
Current assets		**885,328**	**686,907**
Total assets		**1,797,702**	**1,380,670**
Equity and liabilities			
Shareholder's equity	**A.5**	267,548	136,616
Non-controlling interests	**A.5**	67,854	51,164
Equity		**335,402**	**187,780**
Provisions for pension liabilities	**A.6.4.11**	12,226	10,541
Other provisions	**A.6.4.12**	2,685	2,383
Financial liabilities	**A.6.4.13**	514,198	266,557
Other financial instruments	**A.6.4.6**	-	810
Liabilities to companies accounted for using the equity method and related parties	**A.6.4.14**	-	43,806
Other liabilities	**A.6.4.15**	31,684	24,482
Deferred tax liabilities	**A.6.6**	51,542	49,434
Non-current liabilities		**612,335**	**398,013**
Other provisions	**A.6.4.12**	13,807	10,416
Financial liabilities	**A.6.4.13**	71,141	165,170
Trade payables	**A.6.4.15**	566,402	399,626
Liabilities to companies accounted for using the equity method and related parties	**A.6.4.14**	18,458	24,321
Other financial instruments	**A.6.4.6**	62	241
Current tax liabilities	**A.6.4.15**	17,843	18,080
Other liabilities	**A.6.4.15**	162,252	177,023
Current liabilities		**849,965**	**794,877**
Liabilities		**1,462,300**	**1,192,890**
Total		**1,797,702**	**1,380,670**

The notes on pages 48 to 121 are an integral part of these consolidated financial statements.

All amounts in Euro'000, unless otherwise stated

A.2 Consolidated Income Statement

	Notes	Year ended March 31, 2015	15-months period ended March 31, 2014
Revenue	**A.6.5.1**	**3,484,067**	**3,719,677**
Changes in inventories	**A.6.5.2**	16,118	4,613
Other operating Income	**A.6.5.3**	78,104	81,278
Cost of materials	**A.6.5.4**	(2,340,498)	(2,466,274)
Personnel expenses	**A.6.5.5**	(637,202)	(713,653)
Depreciation and amortization	**A.6.5.6**	(86,997)	(104,405)
Other operating expenses	**A.6.5.7**	(341,096)	(388,250)
Result from operating activities		**172,496**	**132,986**
Finance income	**A.6.5.8**	1,781	11,704
Finance costs	**A.6.5.8**	(41,497)	(38,629)
Finance costs - net	**A.6.5.8**	**(39,716)**	**(26,925)**
Share of after-tax profits/(losses) of joint ventures accounted for under the equity method	**A.6.5.9**	9,400	3,453
Share of after-tax profits/(losses) of associates accounted for under the equity method	**A.6.5.10**	33	(29)
Earnings before taxes (EBT)		**142,213**	**109,485**
Income taxes	**A.6.6**	(30,202)	(34,010)
Profit / (loss) for the year		**112,011**	**75,475**
Thereof profit or loss for the year attributable to:			
Equity holders of the group		94,897	54,176
Non-controlling interests		17,114	21,299
Profit / (loss) for the year		**112,011**	**75,475**

The notes on pages 48 to 121 are an integral part of these consolidated financial statements.

All amounts in Euro'000, unless otherwise stated

A.3 Consolidated Statement of Comprehensive Income

	Year ended March 31, 2015	15-months period ended March 31, 2014
Profit / (loss) for the year after tax:	**112,011**	**75,475**
Other comprehensive income / (loss):	**47,631**	**(18,284)**
- Items that will not be reclassified to profit & loss		
Remeasurement of post-employment benefits	(2,575)	(677)
Deferred tax on actuarial losses	272	289
- Items that may be subsequently classified to profit & loss		
Exchange differences on translating foreign operations	49,934	(17,896)
Total comprehensive income for the year	**159,642**	**57,191**
Attributable to:		
Equity holders of the group	130,932	39,032
Non controlling interests	28,710	18,159
	159,642	**57,191**

The notes on pages 48 to 121 are an integral part of these consolidated financial statements.

All amounts in Euro'000, unless otherwise stated

A.4 Consolidated Cash Flow Statement

	Note	Year ended March 31, 2015	15-months period ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the period before income taxes	**A.2**	**142,213**	**109,485**
Adjustments for:			
Depreciation of property, plant and equipment and investment properties	**A.6.5.6**	78,748	92,847
Amortisation of intangibles	**A.6.5.6**	8,249	11,558
Gain from bargain purchase	**A.6.5.3**	(13,329)	-
(Gain) / loss from the sale of property, plant and equipment, investment properties and assets held for sale	**A.6.5.3 / A.6.5.7**	457	(404)
Net finance cost	**A.6.5.8**	39,716	26,925
Share of profits of JV and associates accounted for using equity method	**A.6.5.9 / A.6.5.10**	(9,433)	(3,424)
Other non-cash related adjustments		-	289
Reversal / addition of bad debt allowances and provisions		277	(3,174)
Income from reversal of provisions and liabilities	**A.6.5.3**	(16,932)	(21,232)
Unrealised foreign exchange (gain)/loss		19,157	(7,794)
Cash flow from operations before working capital changes		**249,123**	**205,076**
Working capital changes			
Increase in provisions		353	5,616
Increase in inventories		(2,952)	(4,306)
Increase in trade receivables		(60,144)	(81,316)
Increase in other assets[1]		(16,826)	(4,966)
Increase in trade payables		133,818	103,868
Increase in other liabilities[2]		49,308	56,198
Cash flow from operating activities before income tax		**352,680**	**280,170**
Income tax paid		(38,934)	(30,933)
Cash flow from operating activities (A)		**313,746**	**249,237**
CASH FLOW FROM INVESTING ACTIVITIES			
Disposal of investment in associates		49	-
Purchase of property, plant & equipment (including advances)		(180,255)	(138,460)
Purchase of intangible assets		(3,274)	(2,201)
Proceeds from sale of property, plant and equipment		3,639	6,454
Proceeds from disposal of investments		5	(5)
Dividends received from Joint Ventures		500	100
Acquisition of subsidiaries		(35,764)	-
Acquisition of Joint Venture		-	(1,947)
Acquisition of non-controlling interests		(28,862)	-
Interest received		1,782	1,658
Cash flow from investing activities (B)		**(242,180)**	**(134,401)**

All amounts in Euro'000, unless otherwise stated

	Note	Year ended March 31, 2015	15-months period ended March 31, 2014
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid to non-controlling interest		(12,312)	(12,151)
Capital contributions to non-controlling interests		292	-
Capital contributions		-	1,500
Repayment of finance lease liabilities		(11,910)	(8,457)
Proceeds from borrowings		561,389	130,995
Repayment of borrowings		(416,067)	(206,561)
Interest paid		(28,883)	(38,499)
Loans received from related parties		-	48,684
Loans repayments to related parties		(68,326)	(13,487)
Cash flow from financing activities (C)		**24,183**	**(97,976)**
Changes in cash and cash equivalents (A+B+C)		95,749	16,860
Cash and cash equivalents at beginning of period	**A.6.4.9**	85,701	69,853
Variation in cash and cash equivalents from translation in foreign currencies		2,694	(1,012)
Cash and cash equivalents at end of year	**A.6.4.9**	**184,144**	**85,701**

[1] Other asset comprising of tax receivables, other financial and non-financial assets.
[2] Other liabilities comprise of prepayment received, liabilities from shareholders, and other financial and non-financial liabilities.

All amounts in Euro'000, unless otherwise stated

A.5 Consolidated Statement of Changes in Equity

	Attributable to owners of the parent						Non controlling interest	Total equity
	Subscribed capital	Share premium	Currency translation reserve	Retained earnings	Merger reserve	Total		
As at January 01, 2013	**18**	**5,992**	**(2,731)**	**(11,760)**	**104,352**	**95,871**	**45,152**	**141,023**
Total comprehensive income								
Profit for the period	-	-	-	(7,132)	61,308	54,176	21,299	75,475
Other comprehensive income								
Items that may be subsequently classified to statement of profit or loss								
- Foreign currency translation	-	-	(3,908)	-	(10,871)	(14,779)	(3,117)	(17,896)
Items that will not be reclassified to statement of profit or loss								
- Remeasurement of post-employment benefits	-	-	-	289	(941)	(652)	(25)	(677)
- Deferred tax relating to remeasurement	-	-	-	-	287	287	2	289
Total other comprehensive income	**-**	**-**	**(3,908)**	**289**	**(11,525)**	**(15,144)**	**(3,140)**	**(18,284)**
Total comprehensive income	**-**	**-**	**(3,908)**	**(6,843)**	**49,783**	**39,032**	**18,159**	**57,191**
Transactions with owners								
- Addition during the period	3	1,498	-	-	212	1,713	3	1,716
- Dividend distribution to non controlling interests	-	-	-	-	-	-	(12,150)	(12,150)
Total transactions with owners	**3**	**1,498**	**-**	**-**	**212**	**1,713**	**(12,147)**	**(10,434)**
As at March 31, 2014	**21**	**7,490**	**(6,639)**	**(18,603)**	**154,347**	**136,616**	**51,164**	**187,780**

All amounts in Euro'000, unless otherwise stated

	Attributable to owners of the parent						Non controlling interest	Total equity
	Subscribed capital	Share premium	Currency translation reserve	Retained earnings	Merger reserve	Total		
As at April 1, 2014	**21**	**7,490**	**(6,639)**	**(18,603)**	**154,347**	**136,616**	**51,164**	**187,780**
Total comprehensive income								
Profit for the year	-	-	-	83,274	11,623	94,897	17,114	112,011
Other comprehensive income								
Items that may be subsequently classified to statement of profit or loss								
- Foreign currency translation	-	-	33,498	24	4,771	38,293	11,641	49,934
Items that will not be reclassified to statement of profit or loss								
- Remeasurement of post-employment benefits	-	-	-	(2,570)	54	(2,516)	(59)	(2,575)
- Deferred tax relating to remeasurement	-	-	-	274	(16)	258	14	272
Total other comprehensive income	**-**	**-**	**33,498**	**(2,272)**	**4,809**	**36,035**	**11,596**	**47,631**
Total comprehensive income	**-**	**-**	**33,498**	**81,002**	**16,432**	**130,932**	**28,710**	**159,642**
Transactions with owners								
- Addition during the year	45	893,420	-	-	(893,465)	-	292	292
- Dividend distribution to non controlling interests	-	-	-	-	-	-	(12,312)	(12,312)
Total transactions with owners	**45**	**893,420**	**-**	**-**	**(893,465)**	**-**	**(12,020)**	**(12,020)**
As at March 31, 2015	**66**	**900,910**	**26,859**	**62,399**	**(722,686)**	**267,548**	**67,854**	**335,402**

The notes on pages 48 to 121 are an integral part of these consolidated financial statements.

A.6. Notes to the Consolidated Financial Statements

A.6.1 General information and description of the business

These consolidated financial statements comprise of Samvardhana Motherson Automotive Systems Group BV (SMRP BV) (earlier known as Samvardhana Motherson B.V.) and its subsidiaries (hereinafter referred to as "SMRP BV Group"or "the Group") for year ended March 31, 2015. MSSL and SMIL are the ultimate shareholders of SMRP BV Group.

SMRP BV is a private company with limited liability, incorporated under the laws of the Netherlands on October 07, 2011. Its registered office and principal place of business is situated at Claude Debussylaan 24 -1082 MD Amsterdam, The Netherlands.

On June 13, 2014, SMRP BV acquired 98.45% shareholding of Samvardhana Motherson Reflectec Group Holdings Limited (SMR Jersey) from Samvardhana Motherson Group Holdings Limited (SMGHL), Cyprus in share exchange deal wherein SMGHL transferred its entire shareholding (including acquired on June 9, 2014 from minority shareholders) to SMRP BV in exchange of 45,676 shares of a nominal value of € 1 each issued by SMRP BV and consequently SMRP BV has become subsidiary of SMGHL. Shareholders of SMRP BV have approved allotment of shares to SMGHL in their meeting dated June 13, 2014.

On June 24, 2014, SMRP BV acquired 16.28% stake held by PF Beteiligungsverwaltungs (Cross Industries AG). PF Beteiligungsverwaltungs had exercised put option for 16.28% held by them in SMP Deutschland GmbH and SMP Automotive Technology Iberica S.L. in accordance with the framework agreement. Consequent to this buy out SMRP BV along with SMGHL holds 100% in SMP Deutschland GmbH and SMP Automotive Technology Iberica S.L.

SMR Group
SMR Jersey was incorporated on February 16, 2009. On March 6, 2009 Samvardhana Motherson Reflectec Group Holdings Limited acquired the Visiocorp Group and with this acquisition commenced its operating business.

SMR Group develops and produces a wide range of exterior mirrors from simple prismatic versions up to complex multi-function systems. In addition to the mirror technology, the Group develops and produces driver assistance systems such as detection systems in the door mirror for monitoring blind spots or mirror turn signals. It has production facilities and engineering centres in 14 countries across the globe.

SMP Group
SMRP BV acquired the Peguform Group as on November 23, 2011.

SMP Group supplies plastic parts and system modules for vehicle interiors and exteriors. Products for vehicle interiors include in particular interior door panels and dashboards. For exteriors, bumpers and other bodywork components are manufactured. The product range encompasses individual parts and complete modules, with engineering and tooling services also being provided. It has production facilities and engineering centres in 7 countries across the globe.

A.6.2 Summary of Significant Accounting Policies

A.6.2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared for the financial year beginning April 01, 2014 and ending on March 31, 2015.

During the year ended March 31, 2014 the Company changed its financial year from January-December to period from April to March. Therefore, the figures for previous financial year comprise a period of 15 months from January 1, 2013 to March 31, 2014.

On June 13, 2014, SMRP BV acquired 98.45% shareholding of Samvardhana Motherson Reflectec Group Holdings Limited (SMR Group) from Samvardhana Motherson Group Holdings Limited (SMGHL), Cyprus in share exchange deal wherein SMGHL transferred its entire shareholding (including acquired on June 9, 2014 from minority shareholders) to SMRP BV in exchange of 45,676 shares of a nominal value of € 1 each issued by SMRP BV and consequently SMRP BV has become subsidiary of SMGHL. Shareholders of SMRP BV approved allotment of shares to SMGHL in their meeting dated June 13, 2014. Prior to June 13, 2014, SMRP BV and SMR Group were jointly controlled by Motherson Sumi Systems Limited (MSSL India) and Samvardhana Motherson International Limited (SMIL India) and after this transaction SMRP BV Group comprising SMR Group continue to be jointly controlled by MSSL India and SMIL India. SMR Group's business continues to be reviewed by the Chief Operating Decision Maker ("CODM") as a distinct operating segment and the relevant information of segment profitability and financial position can found in Note A.6.7.3 "Operating Segment Information".

As this transaction is done under "common control" as defined by IFRS, the activities of SMR Group have been included in these consolidated accounts using the predecessor accounting method, e.g. the financial statements have been consolidated as of January 01, 2013." i.e. the audited consolidated financial statements for year ended March 31, 2015 have been prepared incorporating the financial performance of SMR Group for full twelve months i.e. From April 1, 2014 to March 31, 2015. And corresponding figures for the previous period were for fifteen months period i.e. From January 1, 2013 to March 31, 2014 and hence SMR Group has also been incorporated for same period in the prior period. This accounting treatment leads to differences on consolidation between consideration and fair value of the underlying net assets and this difference is included within equity as a merger reserve. All subsequent business combinations are accounted for using the acquisition method of accounting.

Further, during the current year the Company through its subsidiaries acquired the business of Scherer & Trier in an asset cum share purchase transaction as detailed in Note A.6.3 to the consolidated financial statements. This transaction was closed on January 30, 2015 and hence the results for the current period include approximately two months results of the newly acquired business.

Due to the changes mentioned above, the comparative figures presented are partly not comparable. This relates especially to the comparable figures in the income statement.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("IFRS EU").

The consolidated financial statements have been prepared under the historical cost convention except for available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

The consolidated financial statements are presented in euros and all values are rounded to the nearest thousand (€000), except when otherwise indicated.

A.6.2.2 Currency translation

A.6.2.2.1 Transactions in foreign currencies

All transactions are recorded in functional currency of the principal operating environment in which each Group company operates. The Consolidated financial statements are presented in 'euro', which is also the parent company's functional currency.
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the rate prevailing on this date. Differences from foreign currency transactions are reported in the income statement. Non-monetary assets and liabilities that are measured at historical cost in foreign currencies at the reporting date are translated into the functional currency at the rate prevailing on the day of the transaction. Non-monetary assets and liabilities that are measured at fair value in foreign currencies at the reporting date are translated into the functional currency at the rate prevailing on the date on which the fair value was determined.

All amounts in Euro'000, unless otherwise stated

A.6.2.2.2 Annual financial statements of foreign operations

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
(b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
(c) all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.
The exchange rates of currencies of non-Euro zone countries used for the consolidated financial statements are listed below (expressed in foreign currency units per Euro):

Foreign currencies		Closing rates March 31, 2015	Average rates Year ended March 31, 2015	Closing rates March 31, 2014	Average rates Year ended March 31, 2015
Brazilian Real	BRL	3.43	3.12	3.13	2.94
Mexican Peso	MXN	16.37	17.34	17.98	17.19
Chinese Yuan	CNY	6.65	7.85	8.56	8.21
US Dollar	USD	1.07	1.27	1.38	1.34
Great British Pound	GBP	0.72	0.79	0.83	0.85
Korean Won	KRW	1,188.87	1,341.84	1,466.02	1,455.57
Indian Rupee	INR	67.06	77.44	82.50	79.19
Thai Bhat	THB	34.90	41.14	44.60	41.58
Hungarian Forint	HUF	300.18	308.45	306.86	298.71
Japanese Yen	JPY	128.89	138.76	142.09	131.89
Australian Dollar	AUD	1.41	1.45	1.49	1.41

A.6.2.3 Principles of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The consolidation of companies acquired from third parties was carried out at the time of control using the acquisition method. According to this method, identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Intangible assets are recognised separately from any goodwill, provided that they can be separated from the company or are derived from a contractual or other entitlement.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred and the amount of non-controlling interest over the net identifiable assets acquired and liabilities assumed. If this consideration and the fair value of non-controlling interest is lower than the fair value of the net assets of the subsidiary acquired, the difference is directly recognised in profit or loss.

The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

The potential cash payments related to put options issued by the Group over the equity of subsidiary companies are accounted for as financial liabilities when such options may only be settled other than by exchange of a fixed amount of cash or another financial asset for a fixed number of shares in the subsidiary. The amount that may become payable under the option on exercise is initially recognised at fair value within liabilities with a corresponding charge directly to equity. The charge to equity is recognised separately as written put options over non-controlling interests, adjacent to non-controlling interests in the net assets of consolidated subsidiaries.

The Group recognises the cost of writing such put options, determined as the excess of the fair value of the option over any consideration received, as a financing cost. Such options are subsequently measured at amortised cost, using the effective interest rate method, in order to accrete the liability up to the amount payable under the option at the date at which it first becomes exercisable. The charge arising is recorded as a financing cost.

Joint ventures
Joint ventures are companies over which the Group holds joint control as a result of contractual agreements.

The group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Interest in associates
Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of 20% to 50% of the voting rights. Investments in associate are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

Equity Method
The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in the associate/joint venture equals or exceeds its interest in the associate/joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate/joint venture.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate/joint ventures is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate/joint ventures and its carrying value and recognizes the amount of impairment adjacent to share of profit/(loss) of an associate/joint ventures in the income statement.

Accounting policies of the associates/joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.
Dilution gains and losses arising in investments in associates/joint ventures are recognized in the income statement.

Elimination of business transactions in the course of consolidation
Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated.

Profits and losses resulting from unrealised upstream and downstream transactions between the Group and its associate / joint ventures are recognized in the Group's financial statements only to the extent of unrelated investor's interests in the associates / joint ventures. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Unrealised gains or losses from business transactions with joint ventures accounted for using the equity method have been eliminated from the investments in accordance with the amount of the holding.

All amounts in Euro'000, unless otherwise stated

The consolidated financial statements of the Group include:

SMR Group

SMR Group comprises the subsidiaries as disclosed below:

Entity name	Country	Capital share	Minority shares	Voting rights
Samvardhana Motherson Reflectec Group Holdings Limited	Jersey	98.5%	1.5	98.5%
SMR Automotive Systems India Limited	India	51%	49%	51%
SMR Automotive Systems France S. A.	France	100%	-	100%
SMR Automotive Mirror Systems Holding Deutschland GmbH	Germany	100%	-	100%
SMR Poong Jeong Automotive Mirrors Korea Limited	South Korea	90%	10%	90%
SMR Hyosang Automotive Limited	South Korea	90%	10%	90%
SMR Automotive (Langfang) Co. Limited	China	90%	10%	90%
SMR Holding Australia Pty Limited	Australia	100%		100%
SMR Automotive Australia Pty Limited	Australia	100%		100%
SMR Automotive Mirror Technology Hungary Bt	Hungary	100%		100%
SMR Grundbesitz GmbH & Company KG	Germany	93%	7%	93%
SMR Automotive Mirrors UK Limited	UK	100%		100%
SMR Automotive Technology Valencia SAU	Spain	100%		100%
SMR Automotive Services UK Limited	UK	100%		100%
SMR Automotive Mirror International USA Inc.	USA	100%		100%
SMR Automotive Systems USA Inc.	USA	100%		100%
SMR Automotive Systems Spain S.A.U.	Spain	100%		100%
SMR Automotive Vision Systems Mexico S.A. de C.V.	Mexico	100%		100%
SMR Automotive Servicios Mexico S.A. de C.V.	Mexico	99.99%		99.99
SMR Automotive Mirrors Stuttgart GmbH	Germany	100%		100%
SMR Automotive Patents S.A.R.L.	Luxemburg	100%		100%
SMR Automotive Beteiligungen Deutschland GmbH	Germany	100%		100%
SMR Automotive Beijing Company Limited	China	100%		100%
SMR Automotive Yancheng Company Limited	China	100%		100%
SMR Automotive Mirror Technology Holding Hungary Kft	Hungary	100%		100%
SMR Automotive Mirror Parts and Holdings UK Limited	UK	100%		100%
Samvardhana Automotive Technology Holding Cyprus Limited	Cyprus	100%		100%
SMR Automotive Holding Hong Kong Limited	Hong Kong	100%		100%
SMR Automotive Brasil LTDA	Brazil	100%		100%
SMR Automotive System (Thailand) Limited	Thailand	100%		100%
SMR Automotives Systems Macedonia Dooel Skopje	Macedonia	100%		100%
SMR Automotive Operations Japan K.K.	Japan	100%		100%
SMR Automotive Vision System Operations USA INC. (incorporated on March 17, 2014)	USA	100%		100%

All amounts in Euro'000, unless otherwise stated

Entity name	Country	Capital share	Minority shares	Voting rights
SMR Mirror UK Limited (incorporated on March 19, 2014)	UK	100%		100%
Samvardhana Motherson Innovative Autosystems Holding Company B.V	Netherlands	100%		100%
Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V	Mexico	100%		100%
Samvardhana Motherson Real Estate Unit de Mexico, S.A. de C.V	Mexico	100%		100%
SMIA de Mexico Administrative Services, S.A. de C.V	Mexico	100%		100%
SMR Automotive Services Portchester Limited (liquidated on July 9, 2013)	UK	100%		100%

SMR Group comprises joint ventures and associates as disclosed below:

Entity name	Country of incorporation	Group interest in %
Ningbo SMR Huaxiang Automotive Mirrors Co., Ltd	China	50.0%
Chongqing SMR Huaxiang automotive Products Limited	China	50.0%
Re Time Pty Limited*	Australia	35%

*5.6% holding has been disposed during the current year

All amounts in Euro'000, unless otherwise stated

SMP Group

SMP Group comprises the subsidiaries as disclosed below:

Name	Country	Capital share	Minority shares	Voting rights
Samvardhana Motherson Peguform GmbH	Germany	100.0%		100.0%
SMP Automotive Interiors (Beijing) Co. Ltd (incorporated on March 31, 2014)	China	100.0%		100.0%
SMP Automotive Exterior GmbH (incorporated on May 31, 2013)	Germany	100.0%		100.0%
SMP Deutschland GmbH	Germany	95%	5%***	95%
SMP Automotive Solutions Slovakia s.r.o.	Slovakia	95%	5%***	95%
SMP Logistik Service GmbH (earlier known as SMP Automotive Solutions Personalleasings GmbH)	Germany	95%	5%***	95%
Changchun Peguform Automotive Plastics Technology Ltd.	China	47.5%	50%-1**	50%+1**
SMP Automotive Technology Management Services (Changchun) Co. Ltd.	China	78.5%		100.0%
Foshan Peguform Automotive Plastics Technology Co. Ltd.	China	47.5%	50%-1**	50%+1**
SMP Automotive Technology Ibérica, S.L.	Spain	100%	***	100.0%
SMP Automotive Technologies Teruel, S.L.	Spain	100%	***	100.0%
Samvardhana Motherson Peguform Barcelona, S.L.U.	Spain	100%	***	100.0%
Samvardhana Motherson Peguform Automotive Technology Portugal, S.A.	Portugal	100%	***	100.0%
SMP Automotive Produtos Automotivos do Brasil Ltda	Brazil	100%	***	100.0%
SMP Automotive Systems México, S. A. de C. V.	Mexico	100%	***	100.0%
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG	Germany	100%		100%
SM Real GmbH	Germany	95%	5%	95%

**SMP Deutschland GmbH has 50% of the voting rights plus one additional vote.

***16.3% of the minority shares have been purchased from the Non-controlling interest by exercising put/call option.

SMP Group comprises joint ventures as disclosed below:

Name	Country of incorporation	Group interest in %
Celulosa Fabril S.A.	Spain	50.0%
Modulos Ribera Alto S.LU.	Spain	50.0%
Eissmann SMP Automotive Interieur Slovensko s.r.o.	Slovakia	47.0%

A.6.2.4 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value as at the date of acquisition. Following initial recognition, intangible assets with a finite useful life are carried at cost less accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statement.

Research and development costs

Research costs are expensed as incurred. Development expenditure on an individual project is capitalised if it meets the definition of an intangible asset. Costs not eligible for capitalisation are expensed off and disclosed under "Research and development costs" in the income statement.

The intangible assets are amortised on a straight-line basis over their useful lives, beginning at the time the asset is first used and ending after a length of time usual for the asset in operation. The uniform useful lives applied within the Group are as follows:

Description	***Useful life (in years)***
Concessions, intellectual property, software and similar rights	1-3
Contracts with customers	3-11
Patents & Technologies	5-13

The useful life of customer contracts, engineering contracts as well as technology is the result of the analyses and average useful life of the contracts.

The amortisation methods, the usual useful lives and the residual values are checked annually.

A.6.2.5 Property, plant and equipment

A.6.2.5.1 Own assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended. When a major replacement is made, its cost is recognised in the carrying amount of the plant and equipment if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to

All amounts in Euro'000, unless otherwise stated

the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.
General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

A.6.2.5.2 Leased assets

Leasing agreements in which the Group has essentially assumed all risks and opportunities are classified as finance leases. A property acquired under finance lease needs to be capitalized at the lower of its fair value or the present value of the minimum lease payments at the beginning of the lease period. Asset acquired under finance lease is depreciated over shorter of its useful life and lease term (provided that there is no transfer of the assets at the end of the lease term) or the estimated useful life (see A.6.2.5.3). Impairments are performed as necessary (see A.6.2.7).
If, from an economic perspective, not all material opportunities and risks have been transferred, leasing agreements are classified as operating leases and the income and expenses derived there from are recognised in the income statement.

A.6.2.5.3 Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

Description	*Useful life (in years)*
Buildings	40 - 50
Machinery and other technical facilities	10 -15
Tooling	1-7
Other plant and office equipment	5 - 15

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate. No depreciation is charged on land.

A.6.2.6 Investment Properties

Investment properties are stated at cost less accumulated depreciation. Transaction costs are included on initial measurement. The fair values of investment properties are disclosed in the notes. These are assessed using internationally accepted valuation methods. The fair values are calculated based on the income method and are supported by the results of the sales comparison method which compares a subject property's characteristics with those of comparable properties which have recently sold in similar transactions and uses multiples to calculate the fair value. Comparable characteristics that are used for the multiples are the construction level and the specific rent level. Depreciation is provided on investment property other than land, on a straight-line basis over the expected useful life which is 30 years.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the period of derecognition.

A.6.2.7 Impairment of non-current assets

Assets that are subject to depreciation/amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable (see A.6.2.7.1).
For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units), generally individual business units. Prior impairments of nonfinancial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

Impairment is recognised if the carrying value of an asset or its cash-generating unit exceeds the recoverable amount. Impairments are reported in the income statement.
The Group performed reviews at the reporting date to determine whether there were indications that assets or their cash-generating units have to be impaired. The triggering event for the impairment of customer and engineering contracts could be a budget that causes sales revenues from customer and engineering contracts to be reduced in the future.

The triggering event for the impairment of Technology could also be a budget that causes revenues to be reduced in the future or material changes in determination of royalty rate.
The triggering event for the impairment of patent and intellectual property is change in future economic benefits embodied in the asset.

As of the reporting date, no impairments have been identified on customer and engineering contracts, technology or fixed assets.

A.6.2.7.1 Recoverable amounts

The recoverable amount of an asset or a cash-generating unit is the higher of fair value less costs of disposal and the value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets that primarily do not generate independent cash flows, the recoverable amount was determined for the cash-generating units to which these assets belonged.

A.6.2.7.2 Impairment reversals

In case events which caused impairment initially ceases to exist, impairments are only reversed to the extent that increased carrying amount of the asset does not exceed the carrying amount that would have been in place had there no impairment been carried out in the first place, taking into account the normal depreciation/amortization.

A.6.2.8 Financial instruments

A financial instrument is any agreement that leads to the generation of financial asset at one company and/or to a financial liability or equity instrument at another. Financial instruments can be placed into one of four categories according to their intended purpose: financial assets measured at fair value through profit or loss, financial assets held to maturity, loans and receivables, financial assets available for sale.

Financial instruments include primary financial instruments such as receivables and trade liabilities, securities, debt instruments and other financial liabilities. They also include derivative financial instruments used to hedge against risks arising from changes in exchange rates and interest rates.

Regular purchases and sales of financial assets are recognised on the trade-date – the date on which the group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the group has transferred substantially all risks and rewards of ownership. Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'Other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the group's right to receive payments is established.
Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in the income statement within 'Other (losses)/gains – net' in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in the income statement as part of other income when the group's right to receive payments is established.

Changes in the fair value of monetary and non-monetary securities classified as available for sale are recognised in other comprehensive income.

When securities classified as available for sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the income statement as 'Gains and losses from investment securities'.

Interest on available-for-sale securities calculated using the effective interest method is recognised in the income statement as part of finance income. Dividends on available-for-sale equity instruments are recognised in the income statement as part of other income when the group's right to receive payments is established.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

A.6.2.8.1 Primary financial instruments

Primary financial instruments are allocated to one of four categories according to their intended purpose. This allocation is re-assessed at each reporting date and it is determined whether the asset is to be reported as current or non-current.
a. Financial assets carried at fair value through profit or losses are initially recognised at fair value, and transaction costs are expensed in the income statement. Changes in the fair value of financial assets measured at fair value – either because they have been reported as such upon initial recognition or are held for trading – are recognised directly in the income statement. They are also reported as current assets if they are being held for trading or it can be reasonably expected that they will be converted within twelve months from the reporting date.

b. Financial assets held to maturity are initially recognised at fair value plus transaction costs. Financial assets held to maturity which exhibit fixed or determinable payments and a fixed maturity period, and which the Group wishes and is able to hold until maturity are measured at amortised cost and reported depending on their maturity period as non-current or current assets. The amortisation and losses arising from impairments are recognised in the statement of profit or loss.

c. Loans and receivables are initially recognised at fair value plus transaction costs. Loans and receivables that have fixed or determinable payments and are not listed on an active market are measured at amortised cost using the effective interest method less any necessary write-downs arising from impairments. They are reported in the statement of financial position under other receivables and other assets unless they are trade receivables, and are recorded as non-current or current depending on their maturity period.

d. Available-for-sale financial assets that have been reported as such upon initial recognition are measured at fair value, provided that this can be determined, and then reported as non-current or current assets, depending on the expected time of sale. Gains and losses from changes in fair value are recorded net, i.e. after tax, and taken directly to equity ("Other comprehensive income") until the financial asset has been derecognised. In the event that an asset is impaired permanently, however, the loss must be recorded directly in the income statement. If it is not possible to determine the fair value, for example with holdings in non-consolidated affiliated companies or other investments in companies, these assets are measured at cost.

A.6.2.8.1 Impairment of financial assets

(a) Assets carried at amortised cost
The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result

of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation, and where observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

For loans and receivables category, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced and the amount of the loss is recognised in the consolidated income statement. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract. As a practical expedient, the group may measure impairment on the basis of an instrument's fair value using an observable market price.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in the consolidated income statement.

(b) Assets classified as available for sale
The group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a group of financial assets is impaired

Financial liabilities are initially recognised at fair value less transaction costs for liabilities not recognised at fair value through profit or loss. Subsequently financial liabilities from primary financial instruments are measured at amortised cost. The Group measures all financial liabilities except derivatives at amortised cost, which encompasses the remaining debt amount less expenses. Liabilities from finance leases are measured at the present value of the remaining minimum lease payments on the basis of the interest rate underlying the leasing agreement. Financial liabilities with fixed or determinable payments that are neither debt instruments nor derivative financial instruments listed on an active market are reported in the statement of financial position under other liabilities in accordance with their maturity. All financial instruments are therefore measured at historical cost or amortised cost less impairments.

A.6.2.8.2 Derivative financial instruments
Derivative financial instruments that are not part of a hedging relationship are carried at fair value upon initial recognition, corresponding to the fair value of the consideration received or given in return. After initial recognition, derivative financial instruments are carried at fair value, which is based on the market value of the financial instrument. Any changes in fair value are recorded directly in profit or loss.

A.6.2.9 Inventories

Inventories are initially measured at cost, which comprises those costs directly attributable to the production process and an appropriate share of production overheads based on normal operating capacity. This includes write-downs related to production and a reasonable proportion of the administrative and social security costs. Financing costs are not included in the acquisition or production costs. Costs for raw materials and supplies are determined using the moving weighted average prices.

In the course of the subsequent valuation, inventories are carried at the lower of the cost or net realisable value at the reporting date. The net realisable value is the estimated selling price that could be achieved in the course of normal business less estimated costs of completion and estimated costs necessary to make the sale. Impairments take into account reduced market viability and excessive storage times as indicator for a reduced net realisable value. If the reasons for the impairment no longer apply, the impairments are reversed in full.

A.6.2.10 Construction contracts

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract by reference to the stage of completion. Contract costs are recognised as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately. The Group uses the 'percentage-of-completion method' to determine the appropriate amount to recognise in a given period. The Group determines the level of completion on the basis of milestones achieved to date. If it is not possible to determine the level of completion reliably, revenue is recognised only to the extent of contract costs incurred that is probable will be recoverable. Therefore, no profit is reported in such a situation ("zero profit margin method"). The costs include all expenses incurred in direct relation to the specific projects and a proportion of the fixed and variable general costs incurred on the basis of normal capacity for the Group's construction contracts. On the balance sheet, the Group reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognised profits (less recognised losses) exceed progress billings; a contract represents a liability where the opposite is the case.

A.6.2.11 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A.6.2.12 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term deposits with an original maturity three months or less. Cash and cash equivalents are measured at cost.

A.6.2.13 Income taxes

Current taxes are those taxes foreseeably payable on a year's taxable income in accordance with the statutory tax rates or tax rates that had been substantially adopted as of the reporting date, as well as all adjustments to payable taxes in relation to previous reporting periods.

Income taxes for the annual result reported in the income statement comprise current taxes and deferred taxes. Income taxes are recorded in the income statement unless they relate to items recognised directly in equity or in other comprehensive income. In this case, the income taxes incurred are also recognised directly in equity or in other comprehensive income.

Deferred tax assets and liabilities are recognised for all temporary differences between the carrying amount as per IFRS and the relevant tax assessment basis. Deferred tax liabilities are not recognised for temporary differences ("outside-basis differences") if the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liabilities for dividends from subsidiaries will be recognised if the parent company determines that the profits of the respective subsidiary will be distributed in the foreseeable future. Deferred tax assets contain tax assets that are derived from the expected utilization of unused tax losses and unused tax credits, unless it is improbable that the future taxable profits will be available against which the temporary differences can be utilized. Deferred taxes are calculated on the basis of the tax rates that are expected to apply to the period when the asset is realized and the liability is settled, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period in the respective country.

A.6.2.14 Provisions

A.6.2.14.1 Pension provisions

Companies within the Group operate various pension schemes. The schemes are generally funded through payments to insurance companies or trustee-administered funds, determined by periodic actuarial calculations. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation. In countries where there is no deep market in such bonds, the market rates on government bonds are used.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in income.

When a settlement or a curtailment occurs, the obligation and related plan assets are re-measured using current actuarial assumptions and the resultant gain or loss is recognised in the income statement during the period in which the settlement or curtailment occurs.
The value of a net pension benefit asset is restricted to the present value of any amount the Group expects to recover by way of refunds from the plan or reductions in the future contributions after considering any legal or contractual minimum funding requirements. The minimum funding requirements stipulate a minimum amount or level of contributions that must be made to a plan over a given period and may limit the ability of the entity to reduce future contributions and considered respectively in determining the economic benefit from the plan.
For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A.6.2.14.2 Warranties

A provision is recognised for expected warranty claims on products sold during the year, based on past experience of the level of repairs and returns although it is expected that most of these costs will be paid out in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the warranty period for all products sold.

A.6.2.14.3 Tax provisions and other provisions

Provisions for tax and other purposes are recognised to accommodate the possibility that current legal or constructive obligations against third parties resulting from a past event exist, and that it is probable that an outflow of economic benefits will be required to settle the obligation, and that the amount of these obligations can be estimated reliably.
Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

A.6.2.15 Government Grants and grants from private companies & institutions

Government grants are recognised when it is reasonable to expect that the grants will be received and that all related conditions will be met, usually on submission of a valid claim for payment. Government grants in respect of capital expenditure are credited to the acquisition costs of the respective fixed asset and thus are released as income over the expected useful lives of the relevant assets. Grants of a revenue nature are credited to income so as to match them with the expenditure to which they relate as the conditions attached to the grants are met.
Grants from private companies and institutions are accounted for in a manner similar to the accounting for government grants, if the grants are comparable to government grants in their nature and the conditions related to these grants are satisfied.

A.6.2.16 Liabilities

Liabilities from finance lease are initially carried at equal to the fair value of leased property, or if lower, the present value of minimum lease payments. The lease payments are then separated into financing costs and the redemption of the remaining liability.

A.6.2.17 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

A.6.2.18 Recognition of income and expenses

Sales revenue and other operating income is recognised when ownership of an asset changes hands or the opportunities and risks related to the property are transferred to the customer, when the amount of the income has been determined or can be determined, and when there is sufficient likelihood that the economic benefit from the sale will flow to the Group. Sales revenue from the sale of goods is measured at the fair value of the consideration received or to be received less product returns, rebates and discounts for early payment. Revenues from the sale of services are recorded with respect to the stage of completion as of the reporting date in relation to the total service to be provided in the course of the transaction.

Operating expenses are recognised when goods or services are used or when the expense is incurred. Anticipated losses from construction contracts are directly recognised as expenses.

Interest is recognised using the effective interest method as an expense or income for the period in which it occurs. Interest payments for finance leases are calculated by breaking down the minimum lease payments into financing costs and redemption payments for the remainder of the liability and spreading the financing costs over the periods covered by the term of the leasing agreement. This allows a constant, periodic interest rate for the remainder of the liability to be calculated. Payments from operating leases are recognised over the term of the leasing agreement using a straight-line distribution in the income statement.

Dividend income is recognised when the right to receive payment is established.

A.6.2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the supervisory board that makes strategic decisions.

A.6.2.20 Changes in accounting policies and disclosures

The IASB has adopted the following changes to existing IFRS and adopted new IFRS standards, which have also already been adopted by the European Commission, thereby making their application mandatory as for Financial Year 2014-15 to the extent relevant for the Group.

All amounts in Euro'000, unless otherwise stated

New standards and interpretations

Amendments to IFRS 10, IFRS 12 and IAS 27)	Investment Entities
Amendments to IAS 32	Offsetting financial instruments asset and liability
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	Levies
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of interests in other entities
IAS 27	Separate financial statements
IAS 28	Investments in Associates and Joint Ventures
Amendments to IFRS 10, 11, 12	Transition guidance
Amendments to IAS 36	Recoverable Amount disclosures for Non-Financial Assets

The first-time adoption of the new or revised IFRS did not have any material effect on the net asset, financial or income position of the Group.

Future changes to accounting regulations

The IASB and IFRIC have adopted further standards and interpretations, but the adoption of these is not mandatory for the reporting period or they have not been endorsed by the European Commission. Accordingly the Group has elected not to early adopt these standards and interpretations in preparing the consolidated financial statements. This concerns the following standards and interpretations relevant to the Group:

	Adoptions for reporting periods that begin on or after the specified date (in accordance with EU endorsement)
Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)	1 July 2014
Annual Improvements to IFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to IFRSs 2011 – 2013 Cycle	1 July 2014
Accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11)	Not yet endorsed
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	Not yet endorsed
IFRS 15 Revenue from Contracts with Customers	Not yet endorsed
IFRS 9 Financial Instruments	Not yet endorsed
Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception	Not yet endorsed
Amendments to IAS 1: Disclosure Initiative	Not yet endorsed
Annual Improvements to IFRSs 2012–2014 Cycle	Not yet endorsed

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet endorsed
Amendments to IAS 27: Equity Method in Separate Financial Statements	Not yet endorsed

From a current point of view there will not be any material effects on the Group's net assets, financial position and results of operations from the first-time application of the new or revised standards and interpretations.

However, the effects are not analysed finally yet. An early adoption of any of the new standards and interpretations is not planned.

A.6.3 Business combination

Acquisition of Scherer & Trier group (in administration):

During the year, the Company through its subsidiaries purchased the entire German and Mexican business of Scherer & Trier group (S&T), Germany from its administrator through its step down subsidiaries on 30th January 2015.

The purchase agreement was executed between SMRP BV, through its step down subsidiaries in its capacity as Purchaser and insolvency administrator in his capacity as Seller as follows:

1. Fixed Assets excluding land & building and inventory & other receivables were acquired by Samvardhana Motherson Innovative Autosystems B.V. & Co. KG.
2. Land & building were acquired by SM Real Estate GmbH.
3. Shares of Mexican entities were acquired by Samvardhana Motherson Reflectec Group Holdings Limited and Samvardhana Motherson Peguform GmbH in ratio of 99:1.

The purchase agreement came into effect from closing date of January 30th, 2015.

The acquisition cost amounting to Euro 35,763,684 comprises of following:

1. Purchase price of the assets including land and building & inventories for German entities.
2. 100% shares held in Mexican entities

The acquisition cost allocated to purchase price of assets including land and buildings & inventories for German Entities amounts to Euro 35,763,384 and acquisition cost allocated to purchase of shares of Mexican entities amounts to Euro 300.

All amounts in Euro'000, unless otherwise stated

Allocation of acquisition cost to the assets acquired and liabilities assumed

The following table summarises the recognised amounts of identifiable assets and liabilities assumed at the date of acquisition.

Particulars	Amount
Total consideration transferred	35,764
Recognised amounts of identifiable assets acquired and liabilities assumed	
Property, plant and equipment (see note A.6.4.2)	22,612
Intangible assets (see note A.6.4.1)	10,417
Inventories	19,665
Trade receivable and other assets	4,806
Deferred tax assets	61
Cash and cash equivalents	457
Trade payables	(3,714)
Pension and other provisions	(1,013)
Tax liabilities	(427)
Deferred tax liabilities	(3,771)
Total identifiable net assets	**49,903**
Excess of acquirer's interest in the fair value of acquirer's identifiable net assets (see note A.6.5.3)	13,329
Total	**35,764**

The following approaches have been applied in recognition of major assets purchased and liabilities assumed:

Customer relationships

Following the internal process of customer management the fair value of customer relationships was measured from a global view. These are based on follow-up business of acquiree.

Order backlogs

Following the internal process of customer management the fair value of order backlog was measured from a global view. These are based on booked business of acquire including price increases from few customers.

All amounts in Euro'000, unless otherwise stated

A.6.4 Disclosures regarding the Consolidated Statement of Financial Position

A.6.4.1 Intangible assets

	Concessions, Intellectual Property, Software and Similar rights	Patents & Technology	Contracts with customers	Advance payment	Total
Cost					
At January 01, 2013	11,175	25,909	18,583	-	55,667
Additions	2,201	-	-	-	2,201
Disposals	(361)	-	-	-	(361)
Reclassifications	674	-	-	-	674
Foreign currency translation	(102)	-	(117)	-	(219)
At March 31, 2014	**13,587**	**25,909**	**18,466**	**-**	**57,962**
Amortisation					
At January 01, 2013	4,886	7,327	3,635	-	15,848
Amortisation charge	4,158	4,563	2,837	-	11,558
Disposals	(88)	-	-	-	(88)
Reclassifications	(9)	-	-	-	(9)
Foreign currency translation	(47)	-	(73)	-	(120)
At March 31, 2014	**8,900**	**11,890**	**6,399**	**-**	**27,189**
Net book value March 31, 2014	**4,687**	**14,019**	**12,067**	**-**	**30,773**
Cost					
At April 1, 2014	13,587	25,909	18,466	-	57,962
Additions	1,361	-	-	1,000	2,361
Acquisitions through business combinations	500	110	9,807	-	10,417
Disposals	(51)	-	(183)	-	(234)
Reclassifications	913	-	-	-	913
Foreign currency translation	303	-	487	-	790
At March 31, 2015	**16,613**	**26,019**	**28,577**	**1,000**	**72,209**
Amortisation					
At April 1, 2014	8,900	11,890	6,399	-	27,189
Amortisation charge	2,616	3,330	2,303	-	8,249
Disposals	(51)	-	(183)	-	(234)
Reclassifications	(3)	-	-	-	(3)
Foreign currency translation	93	-	295	-	388
At March 31, 2015	**11,555**	**15,220**	**8,814**	**-**	**35,589**
Net book value March 31, 2015	**5,058**	**10,799**	**19,763**	**1,000**	**36,620**

All amounts in Euro'000, unless otherwise stated

The remaining economic useful lives of the major intangible assets are as follows:

	Years
Patents & Technology	4-10
Contracts with customers	1-8

Expenses for research and development for the year ended March 31, 2015 amounted to k€ 42,085 (previous year: k€ 47,112).

As at March 31, 2015, intangible assets with a net book value of k€ 2,153 (March 31, 2014: k€ 3,701) were subject to security for bank borrowings.

All amounts in Euro'000, unless otherwise stated

A.6.4.2 Property, plant and equipment

	Land and buildings	Machinery and other technical facilities	Tooling	Other plant and office equipment	Construction work in progress + Capital Adv.	Total
Cost						
At January 01, 2013	219,941	345,035	25,403	38,568	40,541	669,488
Additions	10,324	25,414	1,175	5,646	103,930	146,489
Disposals	(1,477)	(9,549)	(1,102)	(2,814)	(1,549)	(16,491)
Reclassifications	12,565	29,172	6,068	2,769	(52,016)	(1,442)
Foreign currency translation	(7,249)	(10,429)	(1,098)	(1,044)	(397)	(20,217)
At March 31, 2014	**234,104**	**379,643**	**30,446**	**43,125**	**90,509**	**777,827**
Depreciation and Impairment						
At January 01, 2013	13,689	64,586	11,946	13,790	8	104,019
Depreciation charge for the period	11,539	62,474	5,378	10,384	-	89,775
Impairment	215	2,479	-	6	-	2,700
Disposals	(1,162)	(6,772)	(385)	(2,395)	-	(10,714)
Reclassifications	-	(96)	-	105	-	9
Foreign currency translation	(387)	(2,725)	(644)	(338)	-	(4,094)
At March 31, 2014	**23,894**	**119,946**	**16,295**	**21,552**	**8**	**181,695**
Net book values at March 31, 2014	**210,210**	**259,697**	**14,151**	**21,573**	**90,501**	**596,132**
Cost						
At April 1, 2014	234,104	379,643	30,446	43,125	90,509	777,827
Additions	18,485	35,017	3,438	6,290	152,064	215,294
Acquisition through business combinations	11,297	8,432	32	2,851	-	22,612
Disposals	(220)	(5,711)	(4,759)	(2,712)	(800)	(14,202)
Reclassifications	16,790	31,936	2,150	2,215	(54,034)	(943)
Foreign currency translation	15,832	19,539	6,390	1,454	6,647	49,862
At March 31, 2015	**296,288**	**468,856**	**37,697**	**53,223**	**194,386**	**1,050,450**
Depreciation and Impairment						
At April 1, 2014	23,894	119,946	16,295	21,552	8	181,695
Depreciation charge for the period	9,625	54,758	5,326	8,772	-	78,481
Impairment	-	-	-	-	-	-
Disposals	(2)	(4,708)	(2,838)	(2,584)	-	(10,132)
Reclassifications	33	-	-	-	-	33
Foreign currency translation	1,609	7,399	3,439	964	11	13,422
At March 31, 2015	**35,159**	**177,395**	**22,222**	**28,704**	**19**	**263,499**
Net book values at March 31, 2015	**261,129**	**291,461**	**15,475**	**24,519**	**194,367**	**786,951**

As at March 31, 2015, property, plant and equipment with a net book value of k€ 179,214 (March 31, 2014: k€ 437,923) were subject to security for bank borrowings. (see note A.6.4.13).

During the year ended March 31, 2014 damages occurred to the assets at one of the Group's plant at Polinya, Spain due to fire outbreak and therefore the Group recognised an impairment loss of k€ 2,700 and the related expense has been charged under Depreciation and Amortization cost in Income statement.

During the year, the Group has capitalised borrowing costs amounting to k€ 1,421 (March 31, 2014: k€ 590) on qualifying assets. Borrowing costs were capitalised at the weighted average rate of its general borrowings of 4.12%.

All amounts in Euro'000, unless otherwise stated

The following table presents the movement of the carrying amounts of the finance lease assets reported in property, plant and equipment:

	Land and buildings	Machinery & other technical facilities	Other plant and office equipment	Total
Cost				
At January 01, 2013	17,019	26,561	120	43,700
Additions	-	7,989	-	7,989
Disposals	-	(9)	-	(9)
Reclassifications	-	(8,257)	-	(8,257)
Foreign currency translation	(124)	(832)	(5)	(961)
At March 31, 2014	**16,895**	**25,452**	**115**	**42,462**
Depreciation and Impairment				
At January 01, 2013	1,015	221	115	1,351
Depreciation charge for the period	649	3,616	2	4,267
Reclassification	-	(33)	-	(33)
Foreign currency translation	(63)	(39)	(5)	(107)
At March 31, 2014	**1,601**	**3,765**	**112**	**5,478**
Net book values at March 31, 2014	**15,294**	**21,687**	**3**	**36,984**
Cost				
At April 1, 2014	16,895	25,452	115	42,462
Additions	-	2,213	63	2,276
Disposals	-	(6,335)	-	(6,335)
Reclassifications	-	-	-	-
Foreign currency translation	802	1,139	135	2,076
At March 31, 2015	**17,697**	**22,469**	**313**	**40,479**
Depreciation and Impairment				
At April 1, 2014	1,601	3,765	112	5,478
Depreciation charge for the period	484	2,890	17	3,391
Disposals	-	(852)	-	(852)
Reclassification	-	-	-	-
Foreign currency translation	287	(232)	103	158
At March 31, 2015	**2,372**	**5,571**	**232**	**8,175**
Net book values at March 31, 2015	**15,325**	**16,898**	**81**	**32,304**

All leasing agreements have a defined minimum term of lease. Once the lease term ends, the lessor has the right to sell the leased assets at the agreed residual value. The residual values are pre-financed, making the exercise of the put option a non-monetary transaction, which also does not affect the income statement.

Lease liabilities are secured by finance lease assets as on March 31, 2015 of k€ 32,304 (March 31, 2014: k€ 36,984) (see note A.6.4.13).

All amounts in Euro'000, unless otherwise stated

A.6.4.3 Investment properties

	March 31, 2015	March 31, 2014
Cost		
At beginning of the year	12,637	12,597
Additions	-	40
At end of the year	**12,637**	**12,637**
Depreciation and Impairment		
At beginning of the year	1,370	998
Depreciation charge for the period	267	372
At end of the year	**1,637**	**1,370**
Net book values at end of the year	**11,000**	**11,267**

The fair value of investment properties as on March 31, 2015 is k€ 11,440 (March 31, 2014: k€ 11,340). The fair value has been determined based on valuations performed by an accredited independent valuer and falls in the Level 2 of financial instruments valuation hierarchy.

The investment properties comprise a number of commercial properties that are leased to third parties. The leases contain an initial non-cancellable period of 5 years and subsequent renewals are negotiated with the lessee. No contingent rents are charged.

As the year end, the future minimum lease payments under non-cancellable leases are receivable are follows:

	March 31, 2015	March 31, 2014
Not later than one year	642	867
Later than one year and not later than five years	581	1,003
	1,223	**1,870**

During the year, following amounts were recognised in the statement of profit and loss in respect of investment properties:

	March 31, 2015	March 31, 2014
Rental income from rented properties, all leased under operating leases	1,071	1,102
Other operating income	112	103
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period; and	-	-
Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	(1,048)	(668)
The cumulative change in fair value recognised in profit or loss on a sale of investment property from a pool of assets in which the cost model is used into a pool in which the fair value model is used.	-	-
Net rental income from rented properties	**135**	**537**

All amounts in Euro'000, unless otherwise stated

A.6.4.4 Joint ventures accounted for using the equity method

	Joint Ventures
Costs	
At January 01, 2013	12,895
Addition on acquisition	-
Share of the profits or loss of joint ventures using the equity method	3,453
Addition	1,947
Divestment	-
Dividend payment	(100)
At March 31, 2014	**18,195**
Costs	
At April 1, 2014	18,195
Addition on acquisition	-
Share of the profits or loss of joint ventures using the equity method	9,400
Addition	-
Divestment	-
Dividend payment	(500)
At March 31, 2015	**27,095**

A.6.4.4.1 Joint ventures accounted for using the equity method

The Group's interest in following entities is accounted for using the equity method in the consolidated financial statements. There is no quoted market price for these investments.

Summarised financial information of the joint ventures, based on their IFRS financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

Value of investments in joint ventures

Name of the entity	March 31, 2015	March 31, 2014
Ningbo SMR Huaxiang Automotive Mirrors Co., Ltd (NSHAM) (including Chongqing SMR Huaxiang automotive Products Ltd) (CHSPAL)	10,663	7,411
Eissmann SMP Automotive Interieur Slovensko s.r.o. (Eissmann)	3,021	1,947
Celulosa Fabril S.A. (CEFA) (including Modulos Ribera Alto S.LU. (MRA))	13,411	8,837
Total	**27,095**	**18,195**

All amounts in Euro'000, unless otherwise stated

Summarised financial information of joint ventures

Name of the Company Percentage ownership interest	March 31, 2014 NSHAM/ CHSPAL 50%	 CEFA 50%	 Eissmann 49%	 Group's share
Balance Sheet				
Non-current assets	15,078	30,442	1,574	23,531
Current assets	37,131	28,463	2,852	34,195
Gross assets	**52,209**	**58,905**	**4,426**	**57,726**
Current liabilities	25,491	25,310	452	25,622
Non-current liabilities	401	15,920	-	8,156
Gross liabilities	**25,892**	**41,230**	**452**	**33,778**
Net assets	**26,317**	**17,675**	**3,974**	**23,948**
Group's interest	13,159	8,837	1,947	23,943
Less: foreign currency translation in JV's books	5,748	-	-	5,748
Carrying value of investment	**7,411**	**8,837**	**1,947**	**18,195**
Above net assets include				
Cash and cash equivalents	6,318	2,014	2,057	5,408
Current financial liabilities (excluding trade payable and other provisions)	2,618	2,296	-	5,129
Non-Current financial liabilities (excluding trade payable and other provisions)	-	7,119	-	7,391
Results				
Revenue	89,463	46,638	-	72,604
Expense	(82,698)	(46,259)	-	(69,151)
Profit for the period	**6,765**	**379**	**-**	**3,453**
Other comprehensive income	-	-	-	-
Total comprehensive income	**6,765**	**379**	**-**	**3,453**
Above results include				
Depreciation and amortisation	2,141	(3,517)	-	(688)
Interest income	51	287	-	169
Interest expense	306	(671)	-	(182)
Income tax expense/ income	1,253	(598)	-	327

All amounts in Euro'000, unless otherwise stated

Name of the Company	March 31, 2015			
Percentage ownership interest	NSHAM/ CHSPAL 50%	CEFA 50%	Eissmann 49%	Group's share
Balance Sheet				
Non-current assets	24,894	38,210	6,998	34,981
Current assets	58,399	40,314	7,621	53,091
Gross assets	**83,293**	**78,524**	**14,619**	**88,072**
Current liabilities	41,140	35,598	8,375	42,473
Non-current liabilities	606	16,105	77	8,388
Gross liabilities	**41,746**	**51,703**	**8,452**	**50,861**
Net assets	**41,547**	**26,821**	**6,167**	**37,211**
Group's interest	20,773	13,411	3,021	37,205
Less: foreign currency translation in JV's books	10,110	-	-	10,110
Carrying value of investment	**10,663**	**13,411**	**3,021**	**27,095**
Above net assets include				
Cash and cash equivalents	16,972	4,313	2,038	12,434
Current financial liabilities (excluding trade payable and other provisions)	990	2,374	-	3,686
Non-Current financial liabilities (excluding trade payable and other provisions)	-	8,481	-	6,186
Results				
Revenue	79,775	68,300	39,277	110,724
Expense	(73,272)	(61,930)	(37,084)	(101,324)
Profit for the period	**6,503**	**6,370**	**2,193**	**9,400**
Other comprehensive income	-	-	-	-
Total comprehensive income	**6,503**	**6,370**	**2,193**	**9,400**
Above results include				
Depreciation and amortisation	2,073	(4,252)	(515)	(1,342)
Interest income	-	423	-	212
Interest expense	(34)	(1,112)	-	(573)
Income tax expense/ income	1,110	(1,122)	(803)	(399)

As the year end, the Group has following contractually fixed capital commitments in relation to its joint ventures:

Capital commitments	March 31, 2015	March 31, 2014
NSHAM /CHSPAL	526	1,527

All amounts in Euro'000, unless otherwise stated

As at the year end, there are no restrictions on the ability of the joint ventures to transfer funds to the Group. Also there are no contingent liabilities incurred relating to the Group's interest in joint ventures.

A.6.4.5 Investment in associates

During the year, SMR Group has reduced its shareholding in Re-Time Pty Limited (Re-Time), Australia to 35% from 40.6%.

Re-Time is a technology company which owns certain intellectual property rights through which it designed, developed and commercialised Re-Timer glasses, these glasses intend to reset your internal body clock and help you overcome jet lag without drug use.

The Group has acquired its interest:

	March 31, 2015	March 31, 2014
Opening	307	395
Disposal of investment	(49)	-
Share of Profit	33	(29)
Exchange Difference	16	(59)
At 31st March	**307**	**307**

The following tables illustrate summarised financial information of Re-Time:

	March 31, 2015		March 31, 2014	
	Group's share	Total	Group's share	Total
RE-TIME balance sheet				
Non-current assets	89	255	133	326
Current assets	126	359	59	145
Gross assets	**215**	**614**	**192**	**471**
Current liabilities	15	42	7	18
Non-current liabilities	-	-	-	-
Gross liabilities	**15**	**42**	**7**	**18**
Net assets	**200**	**572**	**185**	**453**
Above net assets include				
Cash and cash equivalents	58	164	45	112
Current financial liabilities (excluding trade payable and other provisions)	-	-	-	-
Non-Current financial liabilities (excluding trade payable and other provisions)	-	-	-	-
RE-TIME results				
Revenue	269	769	293	721
Expense	236	673	322	792
(Loss) for the period	33	96	(29)	(71)
Above results include				
Depreciation and amortisation	-	-	-	-
Interest income	-	-	1	3
Interest expense	-	-	3	8
Income tax expense/ income	-	-	-	-

All amounts in Euro'000, unless otherwise stated

A.6.4.6 Other financial instruments

	March 31, 2015		March 31, 2014	
	Assets	Liabilities	Assets	Liabilities
Cross Currency Swap	-	-	22	1,051
Other Financial investments	1,174	62	10	-
Less: Non Current Portion	5	-	24	810
Current Portion	**1,169**	**62**	**8**	**241**

The maximum exposure to the credit risk is carrying value of instruments. The notional principal amounts of the outstanding forward foreign exchange contracts as on March 31, 2015 is k€ 62,430 (March 31, 2014: k€ 57,838)

A.6.4.7 Inventories

Inventories comprise the following:

	March 31, 2015	March 31, 2014
Raw materials and manufacturing supplies	94,391	88,506
Work in progress	24,212	19,005
Finished goods and goods for trading	50,107	39,253
	168,710	**146,764**

During the year, inventories of k€ 8,146 (March 31, 2014: k€ 2,216) were written down on account of impairment. The amounts of the impairments are calculated based on an analysis of various factors. The most important factors included in this analysis are: aging of inventories, current market conditions and turnover of individual items. During the year, the Group recognised reversal of impairment amounting to k€ 5,659 (March 31, 2014: k€ 3,171) as the related goods were sold during the year at prices equal to or above the cost. The amount of such impairments and reversals of impairment are recognised as "Cost of materials" in the statement of profit and loss.

As at March 31, 2015, inventories amounting to k€ 88,440 (March 31, 2014: k€ 101,217) were pledged as security for various bank borrowings. (see note A.6.4.13).

All amounts in Euro'000, unless otherwise stated

A.6.4.8 Trade receivables, tax receivables and other receivables

		March 31, 2015	March 31, 2014
Non Current			
Non Current Investments/Others		162	128
Trade receivables (third parties)		25,988	16,753
Others		1,775	5,343
	(a)	**27,925**	**22,224**
Current			
Trade receivables (third parties)		458,949	403,830
	(b)	**458,949**	**403,830**
Tax receivables			
Income tax receivables	**(c)**	283	309
Other receivables			
Trade receivables from companies accounted for using the equity method and related parties		5,955	2,263
Other tax receivables		19,751	10,638
Deposits		2,726	1,850
Prepaid expenses		8,152	6,456
Advanced payments		12,987	9,332
Supplier bonus		4,099	3,676
Other		18,403	16,080
	(d)	**72,073**	**50,295**
Total (a+b+c+d)		**559,230**	**476,658**

The carrying amount of the non current trade receivables as at March 31, 2015 is calculated using discount rates of 1%-8% (March 31, 2014: 1%-5%).
Other tax receivables mainly comprise receivables from input VAT.

The carrying values approximately correspond to the fair values. Trade receivables as at March 31, 2015 were reported after deducting impairments amounting to k€ 7,408 (March 31, 2014: k€ 5,837). The impairments are reported in the income statement under the item "Other operating expenses".

All amounts in Euro'000, unless otherwise stated

A.6.4.8.1 Construction Contracts

The net position of constructions contracts and amount due to/from customers for contract work comprises the following:

	Year ended 31 March 2015	Year ended 31 March 2014
For contracts in progress:		
- The aggregate costs incurred and recognised profits (less recognised losses) to date	223,004	137,979
- the amount of advances received;	47,076	25,489
- the amount of retentions	-	-
Amount of contract revenue recognised as revenue in the period	339,054	248,180
Gross amount due from customers for contract work as an asset	223,004	137,979
Gross amount due to customers for contract work as a liability	-	-

A.6.4.9 Cash and cash equivalents

	Year ended 31 March 2015	Year ended 31 March 2014
Cash at bank	184,021	85,578
Cash in hand	123	123
	184,144	**85,701**

According to the Non-recourse Facility Agreement, minimum cash at bank has to amount to k€ Nil as on March 31, 2015 (March 31, 2014: k€ 1,484)

All amounts in Euro'000, unless otherwise stated

A.6.4.10 Shareholder's equity

Share Capital
The authorised share capital of the Company amounts to € 90,000, divided into 90,000 shares with a nominal value of € 1 each. The issued and paid in capital amounts to € 66,176, divided into 66,176 shares with a nominal value of € 1 each.

	Number of equity shares (in No.s)	Share Capital (in €)
As at January 01, 2013	18,000	18,000
Add: Issued during the period	2,500	2,500
As at March 31, 2014	**20,500**	**20,500**
Add: Issued during the year	45,676	45,676
As at March 31, 2015	**66,176**	**66,176**

Currency translation reserve
Currency translation reserve comprises of all foreign exchange differences arising on the translation of the results and financial position of subsidiaries whose functional currencies differ from the Group's reporting currency.

Retained earnings
Retained earnings comprises accumulated profits/ (losses) of the Group and also include actuarial gains / losses arising on post-employment defined benefit plans and related tax impacts.

Merger reserve
The merger reserve represents the differences on consolidation arising on the adoption of predecessor accounting. This comprises the difference between consideration paid and the book value of net assets acquired in the transaction.

Share premium
On June 13, 2014 the Company issued 45,676 shares of € 1 each to Samvardhana Motherson Group Holdings Limited, Cyprus (SMGHL) in lieu of acquisition of 98.45% interest in Samvardhana Motherson Reflectec Group Holdings Limited (SMR) for a non-cash consideration of k€ 905,716 consisting of € 45,676 towards share capital and transfer of k€ 12,250 loan from MSSL Mideast (FZE), the remaining amount of k€ 893,420 was recognised as share premium.

All amounts in Euro'000, unless otherwise stated

A.6.4.11 Provision for pension liabilities

SMP Group mainly operates a defined benefit pension plan in Germany based on employee pensionable remuneration and length of service. The plan is unfunded. The pension plan is closed since 2004. That means that as of this date it was not possible for new members to join the plan.

SMR Group has various defined benefit plans, which consider final salary as well as average salary components in order to determine the benefits for the pensioners. Different pension plans are operated by the Group in UK, Germany, Mexico and South Korea. The schemes in the UK and South Korea are administered by separate trust funds.

Changes in the present value of the defined benefit pension obligations are analysed as follows:

	March 31, 2015	March 31, 2014
As at beginning of the period	25,284	19,918
Current service cost	1,457	4,730
Interest Expense / (Income)	1,075	1,085
Benefits paid	(1,570)	(709)
Curtailment / settlement loss	-	21
Actuarial (gains) or losses	4,432	774
Foreign currency differences	4,073	(293)
Reclassifications	(15)	(242)
As at end of the period	**34,736**	**25,284**

	March 31, 2015	March 31, 2014
Re-measurements:		
–Return on plan assets, excluding amounts included in interest exp/(income)	3,927	775
–(Gain)/loss from change in demographic assumptions	369	(3)
–(Gain)/loss from change in financial assumptions	4,160	(84)
–Experience (gains)/losses	(87)	154
–Change in asset ceiling, excluding amounts included in interest exp.	(5,794)	(165)
Total	**2,575**	**677**

The amounts recognised in the income statement are analysed as follows:

	March 31, 2015	March 31, 2014
Recognised in the income statement		
A. Recognised in arriving at operating result		
Current service cost	1,457	4,730
The effect of any curtailment of settlement	-	21
Running Costs	464	101
Net benefit expense	**1,921**	**4,852**
Other finance costs / Income		
Interest income on scheme assets	(989)	(1,050)
Effect of limitation of plan assets	250	255
Interest costs on scheme liabilities	1,075	1,085
Other finance costs (net)	**336**	**290**

All amounts in Euro'000, unless otherwise stated

The pension provisions correspond to each of the defined-benefit obligations at their present value. The expenses are reported under the item "Financial expenses" (under "Interest expenses on defined benefit obligations") and "Personnel expenses" (under "Defined-benefit plan expenses").

The amounts taken to the Statement of Comprehensive Income are as follows:

The assets and liabilities of the schemes are:

	March 31, 2015	March 31, 2014
Scheme assets at fair value		
Equities	-	2,678
Bonds and gilts and others	21,911	16,858
Cash	599	121
Fair value of scheme assets	**22,510**	**19,657**
Defined Benefit Obligation	34,736	25,284
Thereof funded	22,195	17,345
Thereof unfunded	12,541	7,939
Funding status - deficit / (surplus)	**12,226**	**5,627**
Amount not recognised because of the limitation of assets	-	4,914
Defined benefit pension plan deficit	**12,226**	**10,541**

Changes in the fair value of plan assets are analysed as follows:

	March 31, 2015	March 31, 2014
As at beginning of the period	19,657	18,138
Return on plan assets	989	1,050
Contributions made by the Group	2,982	1,984
Benefits paid	(813)	(551)
Running Cost	(464)	(101)
Actuarial gains / (losses) on plan assets	(3,927)	(776)
Settlement benefit paid by Insurance Contract	-	-
Foreign currency differences	4,086	(87)
As at end of the period	**22,510**	**19,657**

Pension provisions are calculated on the basis of assumptions. The most significant actuarial assumptions were as follows:

	March 31, 2015	March 31, 2014
Actuarial assumptions		
Rate of salary increases	2% - 7.5%	2% - 7.5%
Rate of increase in pension	1.75% to 2.90%	1.80% to 3.30%
Mortality Table	-	-
Discount rate	1.35% - 7.90%	2.8% - 9.07%

All amounts in Euro'000, unless otherwise stated

The amounts recorded in the balance sheet as a provision for pensions developed as follows:

	March 31, 2015	March 31, 2014
As at beginning of the period	10,541	7,283
Expense recorded in the period	2,257	5,142
Benefits paid	(757)	(158)
Contributions made by the Group	(2,982)	(1,984)
Amount recognised in Consolidated Statement of Comprehensive Income	2,575	677
Liability extinguished on sale of business	-	-
Settlement	-	-
Foreign currency differences	607	(182)
Other (reclassification and net transfer out)	(15)	(237)
As at end of the period	**12,226**	**10,541**
Thereof recorded as a provision	12,226	10,541

Sensitivity of the Defined Benefit Obligation

As on March 31, 2015

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
Discount rate	0.50%	(2,198)	2,787
Salary growth rate	0.50%	695	(382)
Pension growth rate	0.50%	505	(457)
		Increase by 1 year in assumption	**Decrease by 1 year in assumption**
Life expectancy		871	(871)

Expected contributions to post-employment benefit plans for the year ending March 31, 2016 are k€ 2,337.

The effects of the limitation of recognition of return on plan assets result from the closure of the UK Pension plan. Under IAS 19, the pension asset which can be recognised on the balance sheet is limited to the extent that it is recoverable by the Company through reduced contributions for future pensionable service and agreed refunds. Given that no refunds have been agreed and as no future service benefits or contributions are currently expected, the maximum asset that can be recognised has been limited to the extent of pension obligation recognised.

Defined contribution plans

During the year, the Company recorded an expense of k€ 17,644 (March 31, 2014 : k€ 19,779) towards defined contribution plans. The expenses are included in income statement under Personnel Expenses.

All amounts in Euro'000, unless otherwise stated

A.6.4.12 Other provisions

	Warranties	Site Restoration	Personnel related	Other	Total
At January 01, 2013	7,403	294	1,465	483	9,645
Arising during the period	8,761	266	81	1,194	10,302
Utilised	(5,509)	(346)	(577)	(212)	(6,644)
Reversal of unused amounts	(28)	-	-	-	(28)
Foreign currency differences	(341)	(9)	(126)	-	(476)
At March 31, 2014	**10,286**	**205**	**843**	**1,465**	**12,799**
Current	9,032	205	81	1,098	10,416
Non-current	1,254	-	762	367	2,383
	10,286	**205**	**843**	**1,465**	**12,799**
At April 1, 2014	10,286	205	843	1,465	12,799
Arising during the year	9,523	-	198	1,598	11,319
Utilised	(7,415)	-	(81)	(404)	(7,900)
Reversal of unused amounts	(629)	-	-	(8)	(637)
Foreign currency differences	935	12	(73)	37	911
At March 31, 2015	**12,700**	**217**	**887**	**2,688**	**16,492**
Current	11,461	217	137	1,992	13,807
Non-current	1,239	-	750	696	2,685
	12,700	**217**	**887**	**2,688**	**16,492**

Warranties

A provision is recognised for expected warranty claims on products previously, based on past experience of the level of repairs and returns. It is expected that most of these costs will be incurred in the next financial year. Assumptions used to calculate the provision for warranties were based on current sales levels and current information available about returns based on the warranty period for all products sold.

Site Restoration

Site restoration represents cost of removing the asset and/or restoring the site.

Personnel related provisions

Personnel related provisions mostly comprise accruals for miscellaneous employee cost.

All amounts in Euro'000, unless otherwise stated

A.6.4.13 Financial liabilities

	March 31, 2015	March 31, 2014
Non-current financial liabilities		
Liabilities to bank	503,262	246,842
Finance lease liabilities	10,936	19,715
Total non-current financial liabilities	**514,198**	**266,557**
Current financial liabilities		
Liabilities to bank	63,396	157,603
Finance lease liabilities	7,745	7,567
Total current financial liabilities	**71,141**	**165,170**

Liabilities to banks mainly comprise the € 500 million Senior Secured Notes issued during the financial year to refinance the existing debts in the Group.

The liabilities to banks include secured liabilities to banks and financial institutions of k€ 566,658 (March 31, 2014: k€ 404,445) as well as secured finance lease liabilities of k€ 18,681 (March 31, 2014: k€ 27,282). Liabilities to banks are secured by Intangible Assets, Property, plant and equipment, joint venture, inventory, trade receivables as well as cash and cash equivalents (see note A.6.4.1, A.6.4.2, A.6.4.4, A.6.4.7, A.6.4.8, A.6.4.9), finance lease are secured by land and buildings as well as technical plant and machinery (see note A.6.4.2).

For maturity profile of liabilities to bank and finance lease liabilities see note A.6.7.4.

The details of financial liabilities towards banks and financial institutions outstanding at year end are as follows:

As at March 31, 2015

Particulars	Loan Amount	Interest Rates	Current	Non-Current	Maturity
Term loan from banks	7,762	Euribor+3.25	262	7,500	10-Jul-19
	2,097	11%	559	1,538	1-Oct-18
	388	2%	49	339	31-Dec-17
Senior Secured Notes	485,525	4%	-	485,525	15-Jul-21
Term loan from others	610	0%	-	610	--
	865	4.87%~5.37%	48	817	30-Jun-26
	681	11%	61	620	30-Jun-22
	3,388	0%	527	2,861	30-Jun-20
	345	0%	-	345	30-Jun-25
	619	0%	-	619	30-Jun-25
	587	3,95% p.a.	-	587	31-Jul-26
	1,901	0%	-	1,901	30-Nov-22
Working capital loans	61,890	Varied	61,890	-	On demand
	566,658		**63,396**	**503,262**	

All amounts in Euro'000, unless otherwise stated

As at March 31, 2014

Particulars	Loan Amount	Interest Rates	Current	Non-Current	Maturity
Term Loans:	7,182	Libor+3.5%	3,591	3,591	06-Jan-16
	9,024	Libor+2.40%	4,011	5,013	20-Mar-16
	8,420	Libor+2.60%	2,406	6,014	07-Aug-17
	15,000	Euribor+3.50%	3,750	11,250	14-Aug-17
	4,962	CDI+4%	1,220	3,742	05-Feb-16
*	2,273	MLR-1.25%	2,273	-	31-May-17
*	754	MLR-1.25%	754	-	28-Feb-18
	6,536	Libor+2.5%	-	6,536	25-Sep-15
	1,660	5.39%	390	1,270	25-Sep-18
	830	5.42%	151	679	10-Dec-19
	509	3.79%	-	509	30-Jun-15
	21,916	Libor+3.25%	5,844	16,072	22-Nov-16
	13,930	Libor+3.5%	5,018	8,912	22-Nov-16
	36,311	Libor+4%	-	36,311	22-Nov-16
	47,273	Libor+3.25%	12,707	34,566	22-Nov-16
	32,941	Libor+4%	11,222	21,719	22-Nov-16
	22,986	3MEuribor+3.9%	-	22,986	17-Oct-21
	56,058	3MEuribor+3.75%	12,000	44,058	22-Nov-17
	27,200	1/3M-Euribor+3.55%	27,200	-	22-Nov-16
	182	3MEuribor+3.75%	-	182	22-May-15
	68	Interest Payable	68	-	22-May-14
	21,869	3MEuribor+3.75%	4,800	17,069	22-Nov-17
	578	0%	578	-	06-June-2096
	656	4.87%~5.37%	-	656	30-Jun-26
	2,419	6.50%	1,268	1,151	28-Feb-16
	3,411	3.95%	-	3,411	31-Jul-26
Liabilities from Factoring arrangement	9,813	Varied	8,668	1,145	Varied
Working capital loans	49,684	Varied	49,684	-	On Demand
	404,445		**157,603**	**246,842**	

* As at March 31, 2014 SMR Automotive System (Thailand) Limited did not met its covenant requirement regarding Debt Service Coverage Ratio (DSCR). Therefore non-current borrowing as on March 31, 2014 of k€ 3,027 was reclassified under current borrowings. The borrowing has been fully repaid during the year ended March 31, 2015.

The Group has financial covenants requirements (see note A.7.4), which all have been met.

Issue of Senior Secured Notes and Revolving Credit Facilities

During the year ended March 31, 2015, the Company issued Euro 500,000,000 4.125% Senior Secured Notes due 2021 (the "Notes"). The Notes bear interest at a rate of 4.125% payable semi-annually on January 15 and July 15 of each year and will mature on July 15, 2021. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange.

The Notes carry a prepayment option and as per the terms of the indenture the Company may at any time on or after July 15, 2017, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to July 15, 2017, the Company is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to July 15, 2017, the Company may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.

The Notes are structured as senior secured obligations and will rank pari passu in right of payment with all the existing and future senior obligations of SMRP BV, including the obligations under the Revolving Credit Facility and the Secondary Revolving Credit Facility. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.

The gross proceeds from the issuance of the Notes, directly or indirectly through the use of intercompany loans or distributions was utilized, after meeting initial notes issue expenses, for repayment of Third Party Indebtedness including shareholder loans amounting to € 429.7 Million and for working capital requirement and capex at subsidiaries amounting to € 54.0 Million.

SMRP BV also entered into Revolving Credit Facility Agreement with a consortium of banks on the date of issue of the Notes. SMRP BV is the original borrower under the Revolving Credit Facility Agreement. The Revolving Credit Facility Agreement is guaranteed by the Guarantors, and will benefit from the same collaterals as the Notes. The Revolving Credit Facility Agreement establishes revolving facility that provides for borrowing of an aggregate principal amount of up to €125.0 million (the "Revolving Credit Facility") available for financing working capital and general corporate needs of SMRP BV and its subsidiaries as well as any permitted acquisitions and capital expenditure and funding any fees, costs and expenses. The facility matures in 2019. As at March 31, 2015 there is no utilisation of the facility

On June 17, 2014 SMP Deutschland GmbH entered into a secondary revolving credit facility agreement (the "Secondary Revolving Credit Facility Agreement") with Standard Chartered Bank in an amount of €50.0 million, which matures in 2016. The Secondary Revolving Credit Facility is guaranteed on a senior basis by SMRPBV and the same subsidiaries of SMRPBV that guarantee the Notes. The obligations under the Secondary Revolving Credit Facility are secured on a pari passu basis by first priority security interests, subject to certain permitted liens, in the same Collateral that secure the Notes, the Revolving Credit Facility and certain hedging obligations. This facility is used as required to finance the production of products to deliver under certain sales contracts (including payments to sub-contractors in relation to such production), reimbursement of amounts expended by the borrower in connection with productions of products or payments to subcontracts and funding any fees, costs and expenses. As at March 31, 2015, an amount of k€ 33,994 has been utilised out of the facility.

All amounts in Euro'000, unless otherwise stated

A.6.4.14 Liabilities to related parties

	March 31, 2015	March 31, 2014
Non Current		
Loans from related parties	-	43,806
	-	**43,806**
Current		
Loans from related parties	-	12,270
Other liabilities	18,458	12,051
	18,458	**24,321**

For details on related party transaction see note A.6.7.6.
The interest rates of loans from related parties are based on 3M-6M Euribor/Libor plus spread of 2.6% to 4.0% for March 31, 2014. As at March 31, 2015, there are no loans outstanding from related parties.

All amounts in Euro'000, unless otherwise stated

A.6.4.15 Trade payables, tax liabilities and other liabilities

	March 31, 2015	March 31, 2014
Non Current		
Advance received from Customers	18,072	16,650
Deferred revenue	2,288	-
Liabilities towards employees	8,662	7,237
Others	2,662	595
(a)	**31,684**	**24,482**
Current		
Trade Payables **(b)**	566,402	399,626
Income Tax Liabilities **(c)**	17,843	18,080
Other Liabilities		
Advance received from Customers	32,959	35,278
Liabilities towards employees	55,727	53,384
Other Tax Liabilities	30,980	27,076
Social security	3,644	2,360
Deferred revenue	13,634	179
Accruals	8,753	10,786
Redemption Liability put/call option	-	28,067
Others	16,555	19,893
(d)	**162,252**	**177,023**
Total (a+b+c+d)	**778,181**	**619,211**

Trade payables include liabilities arising out of contract work towards outstanding invoices from suppliers for contract work for customers as well as outstanding work to be performed with respect to engineering contracts charged to the customer after acceptance.

Liabilities towards other taxes mainly comprise liabilities from VAT.

All amounts in Euro'000, unless otherwise stated

A.6.4.16 Investment in subsidiaries

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held, except as disclosed. The parent company does not have any shareholdings in the preference shares, if any, of subsidiary undertakings included in the group.

The group has non-controlling interest in the following subsidiaries.

Entity name	Country	Capital share	Minority shares	Voting rights
Samvardhana Motherson Reflectec Group Holdings Limited	Jersey	98.5%	1.5	98.5%
SMR Automotive Systems India Limited	India	51%	49%	51%
SMR Poong Jeong Automotive Mirrors Korea Limited	South Korea	90%	10%	90%
SMR Hyosang Automotive Limited	South Korea	90%	10%	90%
SMR Automotive (Langfang) Co. Limited	China	90%	10%	90%
SMR Grundbesitz GmbH & Company KG	Germany	93%	7%	93%
SMP Deutschland GmbH	Germany	95%	5%	95%
SMP Automotive Solutions Slovakia s.r.o.	Slovakia	95%	5%	95%
SMP Logistik Service GmbH (earlier known as SMP Automotive Solutions Personalleasings GmbH)	Germany	95%	5%	95%
Changchun Peguform Automotive Plastics Technology Ltd.	China	47.5%	50%-1	50%+1
SMP Automotive Technology Management Services (Changchun) Co. Ltd.	China	78.5%		100.0%
Foshan Peguform Automotive Plastics Technology Co. Ltd.	China	47.5%	50%-1	50%+1
SM Real GmbH	Germany	95%	5%	95%

The non-controlling interest in respect of SMR Automotive Systems India Limited (SMR India), Changchun Peguform Automotive Plastics Technology Ltd. (CPAT) and Foshan Peguform Automotive Plastics Technology Co. Ltd. (FPAT) is only considered to be material.

Summarised financial information on subsidiaries with material non-controlling interests

Set out below are the summarised financial information for each subsidiary that has non-controlling interests that are material to the group

All amounts in Euro'000, unless otherwise stated

Summarised balance sheet and income statement

Name of the Company	31 March 2015			31 March 2014		
	CPAT	FPAT	SMR India	CPAT	FPAT	SMR India
Balance Sheet						
Non-current assets	36,277	8,071	9,268	29,171	5,370	6,660
Current assets	100,713	3,383	18,352	65,334	3,530	13,996
Gross assets	**136,990**	**11,454**	**27,620**	**94,505**	**8,900**	**20,656**
Current liabilities	54,058	7,293	11,006	35,709	6,322	8,656
Non-current liabilities	-	645	2,642	-	-	2,156
Gross liabilities	**54,058**	**7,938**	**13,648**	**35,709**	**6,322**	**10,812**
Net assets	**82,932**	**3,516**	**13,972**	**58,796**	**2,578**	**9,844**
Results						
Revenue	222,169	7,746	48,176	261,965	268	55,745
Expense	(189,721)	(7,579)	(46,991)	(224,861)	(984)	(53,647)
Profit for the period	**32,448**	**167**	**1,185**	**37,104**	**(716)**	**2,098**
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	**32,448**	**167**	**1,185**	**37,104**	**(716)**	**2,098**
Dividends paid to non-controlling interest	11,976	-	-	11,378	-	-

Summarised cash flows

Name of the Company	31 March 2015			31 March 2014		
	CPAT	FPAT	India	CPAT	FPAT	India
Cash flows from Operating Activities						
Cash generated from operations	28,215	2,942	4,735	41,575	3,108	653
Interest paid	20	1	(347)	(139)	-	(202)
Income tax paid	(5,376)	(53)	(666)	(6,334)	-	(999)
Net cash generated from operating activities	**22,859**	**2,890**	**3,722**	**35,102**	**3,108**	**(548)**
Net cash used in investing activities	**(9,816)**	**(3,166)**	**(1,376)**	**(306)**	**(4,000)**	**(687)**
Net cash used in financing activities	**(23,951)**	**-**	**(2,311)**	**(22,758)**	**-**	**1,617**
Net (decrease)/increase in cash and cash equivalents	**(10,908)**	**(276)**	**35**	**12,038**	**(892)**	**382**
Cash, cash equivalents and bank overdrafts at beginning of year	20,934	938	781	9,762	1,870	399
Exchange gains/(losses) on cash and cash equivalents	2,876	190	74	(866)	(39)	-
Cash and cash equivalents at end of year	**12,902**	**852**	**890**	**20,934**	**939**	**781**

The information above is the amount before inter-company eliminations.

All amounts in Euro'000, unless otherwise stated

A.6.5 Disclosures regarding the Consolidated Income Statement

A.6.5.1 Revenues

	Year ended March 31, 2015	15-months period ended March 31, 2014
Sale of products	3,145,013	3,471,497
Sale of tooling	339,054	248,180
Total	**3,484,067**	**3,719,677**

A.6.5.2 Changes in inventories

	Year ended March 31, 2015	15-months period ended March 31, 2014
Opening stock of		
finished goods	37,979	31,613
work-in-progress	19,005	20,758
Less: closing stock of		
finished goods	(48,890)	(37,979)
work-in-progress	(24,212)	(19,005)
Total	**(16,118)**	**(4,613)**

A.6.5.3 Other operating income

	Year ended March 31, 2015	15-months period ended March 31, 2014
Foreign exchange gain (net)	-	5,993
Subsidies /Income from investment Grants	3,851	4,583
Income from development work and other recoveries from Customers	8,225	5,661
Rental income	1,181	1,929
Royalty income	1,624	2,603
Gain from the sale of property, plant and equipment and Intangible assets	585	1,012
Provisions written back/Gain on reversal of bad debt allowance	884	3,735
Gain on bargain purchase	13,329	-
Income from de-recognition of liabilities	16,932	21,232
Other Income*	31,493	34,530
Total	**78,104**	**81,278**

*Other Income includes insurance proceeds for fire at Polinya plant of k€ 20,546 (March 31, 2014: k€ 17,426) to recover the fixed costs which are included under other operating expenses.

All amounts in Euro'000, unless otherwise stated

A.6.5.4 Cost of materials

	Year ended March 31, 2015	15-months period ended March 31, 2014
Raw Material	2,340,498	2,466,274
Total cost of materials	**2,340,498**	**2,466,274**

A.6.5.5 Personnel expenses

	Year ended March 31, 2015	15-months period ended March 31, 2014
Wages and salaries	455,336	519,332
Paid labour rendered by third parties	102,347	101,860
Social security costs	78,062	87,731
Pensions costs from defined benefit plans	1,457	4,730
	637,202	**713,653**

The number of employees (headcounts) was as follows:

	Year ended March 31, 2015 No's.	15-months period ended March 31, 2014 No's.
Non Production Personnel	6,917	5,389
Production Personnel	14,380	12,743
Total	**21,297**	**18,132**

A.6.5.6 Depreciation and amortization

	Year ended March 31, 2015	15-months period ended March 31, 2014
Depreciation of property, plant and equipment	78,481	89,775
Depreciation on investment properties	267	372
Amortisation of intangible assets	8,249	11,558
Impairment loss	-	2,700
Total	**86,997**	**104,405**

All amounts in Euro'000, unless otherwise stated

A.6.5.7 Other operating expenses

	Year ended March 31, 2015	15-months period ended March 31, 2014
General administration expenses *	126,102	135,753
Energy	58,609	69,534
Repairs and maintenance	55,672	65,356
Rent and lease	36,010	40,372
Freight and forwarding	33,990	38,807
Bad debts/advances written off	1,160	560
Auditors remuneration	4,192	5,078
Net foreign exchange loss	257	6,555
Legal and professional expenses	25,104	26,235
TOTAL	**341,096**	**388,250**

*Expenses during March 31, 2015 includes k€ 15,243 (March 31, 2014: k€ 15,588) to recover the fixed assets due to fire at Polinya Plant.

A.6.5.8 Financial costs and income

	Year ended March 31, 2015	15-months period ended March 31, 2014
Interest Income	1,781	1,658
Foreign exchange gain	-	10,046
Total finance income	**1,781**	**11,704**
Interest expenses finance leases	1,285	1,918
Foreign exchange loss	234	1,126
Interest expense on borrowings	38,903	34,500
Interest expense on defined benefit obligations	1,075	1,085
Total finance cost	**41,497**	**38,629**

Foreign exchange gain / loss contain amounts from the revaluation of foreign currency financial liabilities.

A.6.5.9 Share of the profits or loss of joint ventures accounted for using the equity method

	Year ended March 31, 2015	15-months period ended March 31, 2014
Share of after-tax profits/(losses) of joint venture accounted for under the equity method	9,400	3,453

Section A.6.4.4 contains further details related to the participation in joint ventures.

All amounts in Euro'000, unless otherwise stated

A.6.5.10 Share of the profits or loss of associates accounted for using the equity method

	Year ended March 31, 2015	15-months period ended March 31, 2014
Share of after-tax profits/(losses) of associate accounted for under the equity method	33	(29)

Section A.6.4.5 contains further details related to the participation in associates.

A.6.6 Income taxes

Deferred income taxes are calculated using the balance-sheet based liability method. Deferred tax assets and liabilities are recognised for all temporary differences between the carrying amount of an asset or liability and the values used for taxation purposes. Deferred tax assets are also recognised for tax-loss carry forwards to the extent it is probable that future taxable profits will be available. For this reason, the recognition of all deferred tax assets based on tax losses is carried out with suitable consideration given to their realisation. Deferred taxes are determined on the basis of tax rates that have been enacted or substantially enacted by the end of the reporting period.

The income tax credit/expense for the three years comprises the following:

	Year ended March 31, 2015	15-months period ended March 31, 2014
Current Year	38,388	38,188
Prior year adjustments	335	(211)
Current Tax expense	**38,723**	**37,977**
Development and reversal of temporary differences	(6,650)	(2,740)
Prior year adjustments	(299)	-
Effect of reported tax losses	(1,376)	(1,227)
Others	(196)	-
Deferred tax (expense)/credit	**(8,521)**	**(3,967)**
Total income taxes	**30,202**	**34,010**

There is no significant change in corporate tax rates, in jurisdictions where group operates, having material impact on current charge and future adjustment to the carrying amounts of assets and liabilities.

This statement enables the expected tax expense to be reconciled with the effective tax expense reported.

All amounts in Euro'000, unless otherwise stated

Reconciliation of the effective tax rate	Year ended March 31, 2015	15-months period ended March 31, 2014
Earnings before income tax	142,213	109,485
Tax on profit	13,343	3,746
Foreign tax rate differential	20,653	21,306
Unrecognised Tax Losses	6,999	10,993
Utilisation of tax losses carry forward / Tax Credit	(2,342)	(1,154)
Prior year adjustments	(98)	(211)
Non-deductible expenses and non-taxable income	(4,873)	350
Withholding Tax	(1,322)	1,244
Other	(2,158)	(2,264)
Income tax expense	**30,202**	**34,010**

Tax calculated at domestic tax rates applicable in the respective countries. The weighted average applicable tax rate was 21% for the year ended March 31, 2015 (March 31, 2014: 31%). The movement in weighted average tax rate is mainly on account of variation in profitability of the Group's subsidiaries in the respective countries.

Capitalised deferred tax assets and deferred tax liabilities have been allocated to individual items as per the following table:

Deferred Tax Assets	Year ended March 31, 2015	Year ended March 31, 2014
Provisions	5,403	6,443
Property, plant and equipment	2,697	460
Receivable / Accruals	4,906	1,510
Inventories	1,398	1,030
Tax Value of Reported Loss carry forwards	8,136	3,669
Others	(69)	1,729
Total	**22,471**	**14,841**

Deferred Tax Liability	Year ended March 31, 2015	Year ended March 31, 2014
Intangible assets	9,460	8,894
Property, plant and equipment (Including Finance Lease Liability)	40,617	35,652
Government grants	250	64
Pension	-	(7)
Others	1,215	4,831
Total	**51,542**	**49,434**

All amounts in Euro'000, unless otherwise stated

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Year ended March 31, 2015	**Year ended March 31, 2014**
Deferred tax assets:		
- Deferred tax assets to be recovered after 12 months	14,429	11,830
- Deferred tax assets to be recovered within 12 months	8,042	3,011
	22,471	**14,841**
Deferred tax liabilities:		
- Deferred tax liabilities to be settled after 12 months	52,621	48,543
- Deferred tax liabilities to be settled within 12 months	(1,079)	891
	51,542	**49,434**

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

All amounts in Euro'000, unless otherwise stated

	As at April 01, 2014	Charged/(credited) to the income statement	Charged/(credited) to other comprehensive income	Acquisition on business combination	Exchange differences	As at March 31, 2015
Deferred tax assets						
Provisions	6,443	(1,734)	-	-	694	5,403
Property, plant and equipment	460	1,907	-	-	329	2,696
Receivable / Accruals	1,510	3,192	-	-	204	4,906
Inventories	1,030	204	-	-	165	1,399
Tax Value of Reported Loss carryforwards	3,669	4,190	-	-	278	8,137
Others	1,729	(1,856)	272	-	(215)	(70)
Total deferred tax assets	**14,841**	**5,903**	**272**	**-**	**1,455**	**22,471**
Deferred tax liabilities						
Intangible assets	8,894	(1,285)	-	1,973	(121)	9,461
Property, plant and equipment (Including finance lease liability)	35,652	1,799	-	1,798	1,368	40,617
Government grants	64	(99)	-	-	285	250
Pension	(7)	7	-	-	-	-
Others	4,831	(3,040)	-	-	(577)	1,214
Total deferred tax liabilities	**49,434**	**(2,618)**	**-**	**3,771**	**955**	**51,542**

All amounts in Euro'000, unless otherwise stated

	As at January 01, 2013	Charged/(credited) to the income statement	Charged/(credited) to other comprehensive income	Acquisition on business combination	Exchange differences	As at March 31, 2014
Deferred tax assets						
Provisions	3,649	1,259	-	-	1,535	6,443
Property, plant and equipment	1,095	(349)	-	-	(286)	460
Receivable / Accruals	4,580	(1,614)	-	-	(1,456)	1,510
Inventories	391	465	-	-	174	1,030
Tax Value of Reported Loss carryforwards	2,022	1,739	-	-	(92)	3,669
Others	829	827	289	-	(216)	1,729
Total deferred tax assets	**12,566**	**2,327**	**289**	**-**	**(341)**	**14,841**
Deferred tax liabilities						
Intangible assets	10,619	(1,711)	-	-	(14)	8,894
Property, plant and equipment (Including Finance Lease Liability)	37,933	(1,953)	-	-	(328)	35,652
Government grants	115	(51)	-	-	-	64
Pension	17	(24)	-	-	-	(7)
Others	3,298	2,099	-	-	(566)	4,831
Total deferred tax liabilities	**51,982**	**(1,640)**	**-**	**-**	**(908)**	**49,434**

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable. The group did not recognise deferred income tax assets of k€ 68,873 (March 31, 2014: k€ 76,387) in respect of losses amounting to k€ 300,171 (March 31, 2014: k€ 329,215) that can be carried forward against future taxable income. Losses amounting to k€ 10,410 expire in 2015-16 and 2016-17 respectively.

Deferred income liabilities have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of k€ 214,543 as on March 31, 2015 (March 31, 2014: k€ 120,159) of subsidiaries, joint ventures and associates.

All amounts in Euro'000, unless otherwise stated

A.6.7 Other disclosures

A.6.7.1 Financial instruments

The following table shows the carrying amounts and fair values of the Group's financial instruments

Financial instruments	Category according to IAS 39	Carrying Amt. March 31, 2015	Measurement according to IAS 39		Measurement according to IAS 17	Fair Value March 31, 2015	Not in Scope
			Amortised cost	At fair value			
Assets							
Other investments	Afs	167	29	138	-	167	-
Trade receivables	LaR	484,937	484,937	-	-	484,937	-
Receivables from joint ventures and related parties	LaR	5,955	5,955	-	-	5,955	-
Other receivables	LaR	29,055	29,055	-	-	29,055	39,121
Derivative Financial Instruments	FVPL	1,169	-	1,169	-	1,169	-
Cash and cash equivalents	LaR	184,144	184,144	-	-	184,144	-
Liabilities							
Interest bearing loans and borrowings - non-current							
Liabilities to banks	FLAC	503,262	503,262	-	-	503,262	-
Finance lease liabilities	FLAC	10,936	-	-	10,936	10,936	-
Liabilities to related parties - non-current	FLAC	-	-	-	-	-	-
Interest bearing loans and borrowings - current							
Liabilities to banks	FLAC	63,396	63,396	-	-	63,396	-
Finance lease liabilities	FLAC	7,745	-	-	7,745	7,745	-
Trade payables	FLAC	566,402	566,402	-	-	566,402	-
Liabilities to joint ventures and related parties - current	FLAC	18,458	18,458	-	-	18,458	-
Derivative Financial Instruments	FVPL	62	-	62	-	62	-
Other liabilities	FLAC	92,333	92,333	-	-	92,333	101,604
Thereof: aggregated by category according to IAS 39							
Loans and Receivables (LaR)		704,091	704,091	-	-	704,091	39,121
Available-for-Sale Financial Assets (Afs)		167	29	138	-	167	-
Financial liabilities carried at fair value through profit or loss (FVPL)		1,107	-	1,107	-	1,107	-
Financial liabilities measured at amortised cost (FLAC)		1,262,532	1,243,851	-	18,681	1,262,532	101,604

All amounts in Euro'000, unless otherwise stated

Financial instruments	Category according to IAS 39	Carrying Amt. March 31, 2014	Measurement according to IAS 39		Measurement according to IAS 17	Fair Value March 31, 2014	Not in Scope
			Amortised cost	At fair value			
Assets							
Other investments	Afs	138	20	118	-	138	-
Trade receivables	LaR	420,583	420,583	-	-	420,583	-
Receivables from joint ventures and related parties	LaR	2,263	2,263	-	-	2,263	-
Other receivables	LaR	23,766	23,766	-	-	23,766	29,918
Derivative Financial Instruments	FVPL	22	-	22	-	22	-
Cash and cash equivalents	LaR	85,701	85,701	-	-	85,701	-
Liabilities							
Interest bearing loans and borrowings - non-current							
Liabilities to banks	FLAC	246,842	246,842	-	-	246,842	-
Finance lease liabilities	FLAC	19,715	-	-	19,715	19,715	-
Liabilities to related parties - non-current	FLAC	43,806	43,806	-	-	43,806	-
Interest bearing loans and borrowings - current							
Liabilities to banks	FLAC	157,603	157,603	-	-	157,603	-
Finance lease liabilities	FLAC	7,567	-	-	7,567	7,567	-
Trade payables	FLAC	399,626	399,626	-	-	399,626	-
Liabilities to joint ventures and related parties - current	FLAC	24,321	24,321	-	-	24,321	-
Derivative Financial Instruments	FVPL	1,051	-	1,051	-	1,051	-
Other liabilities	FLAC	110,452	110,452	-	-	110,452	91,052
Thereof: aggregated by category according to IAS 39							
Loans and Receivables (LaR)		532,313	532,313	-	-	532,313	29,918
Available-for-Sale Financial Assets (Afs)		138	20	118	-	138	-
Financial liabilities carried at fair value through profit or loss (FVPL)		1,073	-	1,073	-	1,073	-
Financial liabilities measured at amortised cost (FLAC)		1,009,932	982,650	-	27,282	1,009,932	91,052

All amounts in Euro'000, unless otherwise stated

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables and liabilities and other current receivables and liabilities, their fair values are equal to their carrying amounts.

A description of the Group's financial instrument risks, including risk management objectives and policies is given in note 29.

The following table shows the net gains and losses from the financial instruments recognised in the income statement.

Net gains or losses	Year ended March 31, 2015	Year ended March 31, 2014
Receivables and payables	(317)	542
Financial liabilities measured at amortised cost	16,932	21,232

Net gains and losses from Receivables and payables are included in other operating income and expenses. Net gains and losses from financial instruments measured at amortised cost are part of finance cost and income.

Interest income and interest expense for financial assets and financial liabilities

	Year ended March 31, 2015	Year ended March 31, 2014
Receivables and payables	1,781	1,658
Financial liabilities measured at amortised cost	41,263	37,504

Interest incomes from receivables are included in interest income, interest expense for financial liabilities measured at amortised cost are included in interest expense.

A.6.7.1.1 Financial instruments

The following table present the Group's financial assets and liabilities that are measured at fair value:

Financial instruments	Fair Value March 31, 2015	Level 1	Level 2	Level 3
Assets				
Available-for-Sale Financial Assets (Afs)	138	138	-	-
Derivative Financial Instruments	1,169	-	1,169	-
Liabilities				
Derivative Financial Instruments	62	-	62	-

Financial instruments	Fair Value March 31, 2014	Level 1	Level 2	Level 3
Assets				
Available-for-Sale Financial Assets (Afs)	118	118	-	-
Derivative Financial Instruments	22	-	22	-
Liabilities				
Derivative Financial Instruments	1,051	-	1,051	-

All amounts in Euro'000, unless otherwise stated

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables and liabilities and other current receivables and liabilities, their fair values are equal to their carrying amounts.

Valuation of financial assets

(a) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise of equity instruments classified as available for sale. Quoted market prices are used to value Level 1 instruments.

(b) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. Entity's Level 2 instruments comprise of forward contracts relating to foreign currency and commodities. The fair value of forward foreign contracts is determined using forward rates at the balance sheet date, with the resulting value discounted back to present value.

A.6.7.1.2 Offsetting Financial Assets and Financial Liabilities:

The following table present the Group's financial assets and liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements:

As on March 31, 2015
Financial Assets

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
Trade receivables	528,803	43,866	484,937

As on March 31, 2014
Financial Assets

	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set off in the Balance sheet	Net amounts of financial assets presented in the balance sheet
Trade receivables	440,190	19,607	420,583

A.6.7.2 Contingent Liabilities

In the ordinary course of business activities, the Group may be contingently liable for litigation and claims with customers, suppliers, former employees and other parties. In addition, the Group may be, or could become, liable to incur environmental remediation costs to bring environmental contamination levels back within acceptable legal limits. On an on-going basis, the Group assesses the likelihood of any adverse judgments or outcomes to these matters as well as potential ranges of probable costs and losses. A determination of the provision required, if any, for these contingencies is made after analysis of each individual issue. The required provision may change in the future due to new developments in each matter or changes in approach such as a change in settlement strategy in dealing with these matters.

The tax position taken by the Group with respect to certain transactions and calculations may be challenged by tax authorities for reasons including transfer pricing, the availability of deductions for interest expense and other deductible items, the treatment of acquisition, refinancing and reorganization transactions, intercompany funding arrangements, the application and effect of tax "holidays" and the calculation of deferred tax assets and liabilities. The Group does not expect any significant cash outflow in respect of these contingencies.

Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	March 31, 2015	March 31, 2014
Property, plant and equipment	42,589	41,163

A.6.7.3 Operating Segment Information

Management has determined the operating segments based on the reports reviewed by the Chief Operating Decision Maker ("CODM") in taking strategic decisions. Those operating segments are SMR Group and SMP Group which are also the reportable segments.

SMR Group
SMR Group develops and produces a wide range of exterior mirrors from simple prismatic versions up to complex multi-function systems. In addition to the mirror technology, the Group develops and produces driver assistance systems such as detection systems in the door mirror for monitoring blind spots or mirror turn signals. It has production facilities and engineering centres in 14 countries across the globe.

SMP Group
SMP Group supplies plastic parts and system modules for vehicle interiors and exteriors. Products for vehicle interiors include in particular interior door panels and dashboards. For exteriors, bumpers and other bodywork components are manufactured. The product range encompasses individual parts and complete modules, with engineering and tooling services also being provided. It has production facilities and engineering centres in 7 countries across the globe.

The CODM considers revenues from external parties, EBITDA, profit before taxes and assets of each of the segments in taking strategic decisions. These amounts are measured in a manner consistent with that of the financial statements. Segment assets comprise of trade receivables, inventories and cash and cash equivalents. Geographically, the CODM considers the performance of sales in the Americas, Europe, and Asia Pacific.

Transfer prices for transactions between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

All amounts in Euro'000, unless otherwise stated

	March 31, 2015				March 31, 2014			
	SMR	SMP	Unallocated / Inter-segment eliminations	Total	SMR	SMP	Unallocated / Inter-segment eliminations	Total
Segment revenue:								
Sales to external customers	1,238,326	2,246,068	(327)	3,484,067	1,346,363	2,373,314	-	3,719,677
Intersegment sales	-	-	-	-	-	-	-	-
Total revenue	**1,238,326**	**2,246,068**	**(327)**	**3,484,067**	**1,346,363**	**2,373,314**	**-**	**3,719,677**
Results:								
EBITDA	121,127	138,366	-	259,493	124,326	113,065	-	237,391
Depreciation and amortization	31,126	55,871	-	86,997	33,849	70,556	-	104,405
Operating profit	90,001	82,495	-	172,496	90,477	42,509	-	132,986
Interest Income	1,398	3,657	(3,274)	1,781	2,485	9,219	-	11,704
Interest expense	(10,205)	(34,566)	3,274	(41,497)	(10,278)	(28,351)	-	(38,629)
Share of profit from joint venture	3,251	6,149	-	9,400	3,383	70	-	3,453
Share of profit from associate	33	-	-	33	(29)	-	-	(29)
Profit before tax	**84,478**	**57,735**	**-**	**142,213**	**86,038**	**23,447**	**-**	**109,485**
Income Taxes	(18,383)	(11,819)	-	(30,202)	(22,045)	(11,965)	-	(34,010)
Profit after tax	**66,095**	**45,916**	**-**	**112,011**	**63,993**	**11,482**	**-**	**75,475**
Segment assets:								
Inventory, Debtors and Cash	289,653	548,139	-	837,792	274,421	378,627	-	653,048
Others	344,249	1,570,830	(955,169)	959,910	257,319	482,553	(12,250)	727,622
Total assets	**633,902**	**2,118,969**	**(955,169)**	**1,797,702**	**531,740**	**861,180**	**(12,250)**	**1,380,670**
Other items:								
Capital expenditure	54,231	163,424	-	217,655	63,164	85,526	-	148,690
Capital expenditure due to business combination	-	33,029	-	33,029	-	-	-	-
Investment in joint venture	10,663	16,432	-	27,095	7,411	10,784	-	18,195
Investment in associate	307	-	-	307	307	-	-	307

All amounts in Euro'000, unless otherwise stated

	March 31, 2015				March 31, 2014			
	SMR	SMP	Unallocated / Inter-segment eliminations	Total	SMR	SMP	Unallocated / Inter-segment eliminations	Total
Revenue from external customers								
Asia Pacific	396,550	230,572	-	627,122	432,990	260,858	-	693,848
Europe	565,227	1,884,731	(327)	2,449,631	653,472	1,931,163	-	2,584,635
The Americas	276,548	130,766	-	407,314	259,901	181,293	-	441,194
Others	-	-	-	-	-	-	-	-
	1,238,325	**2,246,069**	**(327)**	**3,484,067**	**1,346,363**	**2,373,314**	**-**	**3,719,677**
Non-Current Assets (excluding deferred taxes, Financial Instruments and investments)	265,874	596,622	-	862,496	222,684	437,712	-	660,396
Sale to external customers above 10%								
AUDI	57,062	918,335	-	975,397	59,676	709,762	-	769,438
VW	88,216	410,682	-	498,898	116,009	530,735	-	646,744
SEAT	6,513	347,349	-	353,862	7,275	235,981	-	243,256
Hyundai	187,337	-	-	187,337	204,192	-	-	204,192
	339,128	**1,676,366**	**-**	**2,015,494**	**387,152**	**1,476,478**	**-**	**1,863,630**

A.6.7.4 Risk management with respect to financial risks

The Group in its capacity as an internationally active supplier for the automobile industry is exposed to various risks with each of its business segments and products. The global presence and decentralised management structure with the main activities in the plants make an organised risk management system necessary. The regulations, instructions, implementation rules and, in particular, the regular communication throughout the tightly controlled management process consisting of planning, controlling and monitoring collectively form the risk management system used to define, record and minimise operating, financial and strategic risks.

The successful management of opportunities and risks is part of operating a business and is the primary task of all management personnel. During the regular management meetings at all management levels, opportunities, risks and optimisation measures are subjected to systematic treatment. Rapid, open and unhindered communication between all levels of management on the risks and imminent exceptional situations ensure that potential risks can be identified at an early stage and their effects can be limited. Risk awareness and the integration of risk management into management personnel's on-going duties at an organisational level enable the Group to identify risks immediately and to eliminate them or to minimise their effects on the net asset, financial and income position.

A detailed examination has revealed that the risks detailed below are manageable for the SMRP Group.
The Group is exposed in particular to credit risks with regard to trade receivables, liquidity risks and market risks from changes in interest rates and exchange rates. The Group counters customer default risks by monitoring customers continuously and carrying out regular credit checks. Liquidity is secured by means of medium-term loans, pre-emptive liquidity planning and daily liquidity reporting. Interest and currency risks are monitored on a monthly basis centrally by the finance department and the Group's Board of Management.

The Group has developed guidelines on risk controlling and the use of financial instruments. These guidelines contain a clear allocation of duties. Risks are controlled and monitored by means of operational and financial measures.
The risks listed below are not so material that they would result in extraordinary concentrations of risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations towards the Group and arises principally from the Group's receivables from customers and deposits with banking institutions. The maximum amount of the credit exposure is equal to the carrying amounts of these receivables.
The Group has developed guidelines for the management of credit risk from trade receivables. The Group's primary customers are major European automobile manufacturers (OEMs) with good credit ratings. Non-OEM clients are subjected to credit assessments as a precautionary measure, and the adherence of all clients to payment due dates is monitored on an on-going basis, thereby practically eliminating the risk of default. Suppliers are also regularly subjected to monitoring and credit assessments. If critical changes arise, alternative suppliers are sought.
The Group has deposited liquid funds at various banking institutions. Primary banking institutions are major international banks. In long term credit ratings these banking institutions are considered to be

All amounts in Euro'000, unless otherwise stated

investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.
The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	March 31, 2015	March 31, 2014
As at beginning of the year	5,837	6,042
Acquired in business combinations	-	-
Impairment loss recognised	1,700	926
Amounts written off	(189)	(298)
Unused amounts reversed	61	(826)
Exchange fluctuation	-	(7)
As at end of the year	**7,409**	**5,837**

The following table shows the ageing of trade and other receivables that were not impaired:

	Total	Neither past due nor impaired	Past due but not impaired				
			< 30 days	30-90 days	90-180 days	180-360 days	>360 days
March 31, 2015							
Trade receivables	484,937	434,435	37,867	7,437	3,381	771	1,046
Receivables from joint ventures and related parties	5,955	5,955	-	-	-	-	-
Cash and cash equivalents	184,144	184,144	-	-	-	-	-
Others	30,391	30,391	-	-	-	-	-
March 31, 2014							
Trade receivables	420,583	407,552	7,461	2,169	1,520	945	936
Receivables from joint ventures and related parties	2,263	2,263	-	-	-	-	-
Cash and cash equivalents	85,701	85,701	-	-	-	-	-
Others	23,926	23,926	-	-	-	-	-

Impairment is recognised as soon as the carrying amount of an asset exceeds its recoverable amount. In general there are impairments for overdue receivables as a result of price, quality differences as well as discount differences, for uncertain receivables, law cases and overdue receivables. A receivable is completely impaired when recoverability is not probable. Amounts charged to the allowance account are generally written off, when there is no expectation of recovering additional cash.

Impairments are recognised in the income statement. The Group has not recognised any other impairment of financial instruments.

Overdue and unimpaired trade receivables are for the most part attributable to OEMs. The good credit rating of these clients means that there was no reason to impair these receivables as of the reporting date.

All amounts in Euro'000, unless otherwise stated

Liquidity risk

The liquidity risk encompasses any risk that the Group cannot fully meet its financial obligations. To manage the liquidity risk, cash flow forecasting is performed in the operating entities of the group and aggregated by Group finance. Group finance monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets and, if applicable external regulatory or legal requirements – for example, currency restrictions. Furthermore, in the case of an expected breach of covenants Group management evaluates early counteractions to prohibit negative impacts for the Group out of a breach of covenants.

The following table shows the remaining contractual maturities of financial liabilities of the Group presented on a gross and undiscounted basis and include estimated interest payments and exclude the impact of netting arrangements:

Financial Liabilities	March 31, 2015			
	Less Than 1 Year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Borrowings - Liabilities to Banks	87,616	99,438	519,940	**706,994**
Finance lease liabilities	8,530	10,449	1,329	**20,308**
Trade payables	566,402	-	-	**566,402**
Liabilities due to shareholders & related parties	18,458	-	-	**18,458**
Other financial liabilities	88,171	489	6,441	**95,101**
Total	**769,177**	**110,376**	**527,710**	**1,407,263**

Financial Liabilities	March 31, 2014			
	Less Than 1 Year	1 to 5 years	More than 5 years	Total
Non-derivative financial liabilities				
Borrowings - Liabilities to Banks	173,923	249,482	13,196	**436,601**
Finance lease liabilities	8,759	24,454	1,651	**34,864**
Trade payables	399,626	-	-	**399,626**
Liabilities due to shareholders & related parties	24,321	43,806	-	**68,127**
Other financial liabilities	104,954	1,549	5,001	**111,504**
Total	**711,583**	**319,291**	**19,848**	**1,050,722**

Market risk

The Group is also exposed to market risk with respect to changes in interest rates and foreign exchange rates. These changes may affect the operating result and financial position.

Interest rate risks mainly relate to bank borrowings due to variable interest rates depending on the development of the 3-months LIBOR/Euribor (for further details we refer to A.6.4.13). The Group conducted sensitivity analyses at year-end to estimate the interest rate risks. If interest rate would increase (or decrease) by 10%, interest liabilities would increase (or decrease) by k€ 467 as on March 31, 2015 (March 31, 2014: k€ 2,964). Furthermore, interest rate risks are minimised by means of fixed interest rates agreed in the most significant leasing agreements for their entire term. The Group currently sees no need to act with respect to the interest rate risk arising from bank borrowings as it is assumed that interest rates will remain low in the short term. Changes in interest rates and exchange rates are monitored in SMRP BV's Treasury division and hedged as appropriate for the future.

Foreign exchange risk arises from monetary receivables and obligations expressed in a currency other than the functional currency of a Group company. The Group conducted sensitivity analyses at year-end to estimate the currency risk of these monetary financial instruments. This primarily concerns the US dollar. If the Euro were to increase (or decrease) by 10% against the US dollar, receivables would decrease (or increase) by k€ 3,979 as on March 31, 2015 (March 31, 2014: k€ 2,610), while liabilities would decrease (or increase) by k€ 3,963 as on March 31, 2015 (March 31, 2014: k€ 21,077). Net impact on Income statement will be gain / (loss) of k€ 16 as on March 31, 2015 (March 31, 2014: k€ 18,468). There is no financial instrument in place within the Group to manage the foreign currency risk arising out of USD denominated receivables and payables. The risk from other currencies is estimated to be minimal.

Receivables and liabilities in foreign currencies as of the reporting date are listed in the following table:

(Amounts in foreign currency 000s)

	USD	GBP	CNY
March 31, 2015			
Foreign Currency Receivables	42,693	10,807	83,495
Foreign Currency Liabilities	42,523	5,197	2,667
March 31, 2014			
Foreign Currency Receivables	25,012	7,581	45,596
Foreign Currency Liabilities	291,055	4,320	105

Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group management determines the business policy for the various business segments and plants. Adherence to the determined general conditions and the achievement of the sales, profitability, financial and operating targets is coordinated and monitored centrally.

For this purpose, an important indicator for the Group is the gearing ratio of financial debt to total capital as shown in the Consolidated Statement of Financial Position. Since these terms are generally not governed by International Financial Reporting Standards their definition and calculation may vary from one company to another.

All amounts in Euro'000, unless otherwise stated

	March 31, 2015	March 31, 2014
Total equity	335,402	187,780
Total equity	**335,402**	**187,780**
in % of total capital	**46%**	**32%**
Non-current financial liabilities [1]	514,198	266,557
Current financial liabilities [2]	71,141	165,170
Loan from Related Parties	-	56,076
Total Debt	**585,339**	**487,803**
Less : Cash & Cash Equivalents	(184,144)	(85,701)
Debt (Net)	**401,195**	**402,102**
in % of total capital	**54%**	**68%**
Total capital as defined for capital management purposes	**736,597**	**589,882**

[1]Non-current financial liabilities include borrowings as on March 31, 2015 of k€ 503,262 (March 31, 2014: k€ 246,842), finance lease liabilities as on March 31, 2015 of k€ 10,936 (March 31, 2014: k€ 19,715).

[2]Current financial liabilities include borrowings as on March 31, 2015 of k€ 63,396 (March 31, 2014: k€ 157,603), finance lease liabilities as on March 31, 2015 of k€ 7,745 (March 31, 2014: k€ 7,567).

The Group is not subject to any capital requirements on the basis of its Articles of Incorporation. Certain capital requirements were contractually imposed in loan agreements with the financial institutions. As per the terms of the Notes and Revolver Credit Facilities referred to in note A.6.4.3 the Company is required to maintain financial covenants of net leverage ratio not exceeding 3.25x and net interest cover ratio more than 3.0x calculated on the group's financial statements. As at March 31, 2015 the Group has complied with both these financial covenants. The Group continuously monitors these covenants and it is controlled by capital measures regarding both, shareholders equity as well as debt.

All amounts in Euro'000, unless otherwise stated

A.6.7.5 Other financial obligations

The following table shows the future financial obligations arising from long-term rental and leasing contracts.

Operating leases – group as lessee

The group leases various properties, vehicles and machinery under non-cancellable operating lease agreements. The lease terms are between 3 and 10 years, and the majority of lease agreements are renewable at the end of the lease period at market rate. There are no restrictions placed upon the lessee by entering into these leases.

The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

	March 31, 2015	March 31, 2014
Not later than one year	8,832	12,818
After one year but not more than five years	18,029	24,384
More than five years	2,247	8,206
Total	**29,108**	**45,408**

During the year, k€ 10,051 (March 31, 2014 : k€ 12,856) has been recognised in the income statement as lease rent expense towards operating leases.

Finance leases – group as lessee

The group leases various buildings and machinery under non-cancellable finance lease agreements. The lease terms are between 3 and 10 years, and ownership of the assets lies within the group

Future Minimum Lease Payments under Finance Lease

	March 31, 2015	March 31, 2014
Future minimum payments due:		
Not later than one year	8,440	8,769
After one year but not more than five years	10,378	19,786
More than five years	1,329	1,651
	20,147	**30,206**
Less finance charges allocated to future periods	1,466	2,924
Present value of future minimum lease payments	**18,681**	**27,282**
Current	7,745	7,567
Non-current	10,936	19,715
	18,681	**27,282**
Present value of future minimum lease payments		
Not later than one year	7,745	7,567
After one year but not more than five years	9,734	18,256
More than five years	1,202	1,459
	18,681	**27,282**

A.6.7.6 Related parties

During the year the Group entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, include the sale and purchase of goods and services. In addition, financing transactions have been undertaken.

Entities with significant influence over the Group

SMRP BV, SMP Group and SMR Group were jointly controlled by Motherson Sumi Systems Limited and Samvardhana Motherson International Limited prior to June 13, 2014. On June 13, 2014 SMRP BV acquired the majority of the outstanding shares of SMR Group through the issuance of new shares to the shareholders of SMR Group. (see note A.6.2.1)

Samvardhana Motherson Global Holdings Limited, Cyprus, the direct parent company of Samvardhana Motherson Automotive Systems Group B.V (SMRP) (earlier known as Samvardhana Motherson B.V.) holds 69% of the voting shares of the Group.

Samvardhana Motherson Polymers Limited, India holds 31% of the voting shares of SMRP BV.

Samvardhana Motherson Global Holdings Limited and Samvardhana Motherson Polymers Limited both are indirectly held by MSSL India, which prepares financial statements available for public use and by SMIL India. MSSL and SMIL are referred to as the substantial shareholders of the Group.

SMIL is owned by Mr. V.C. Sehgal and family. SMIL holds an equity interest (36.12%) in MSSL.

As a result, MSSL and SMIL and its direct and indirect held subsidiaries, except for the companies forming the subgroup of Samvardhana Motherson Automotive Systems Group B.V are considered as related parties.

Key Management Personnel

Key management includes directors (executive and non-executive), members of the Supervisory Board. No compensation or any other benefits are paid or payable to any of the key management personnel.

All amounts in Euro'000, unless otherwise stated

Details of related party transactions

	Year ended March 31, 2015					
	Substantial shareholders	Entities in which V.C. Sehgal and family holds significant influence	Fellow Subsidiaries	Joint venture	Entities in which Key management personnel hold significant influence	Total
Sales	771	-	1,797	2,288	-	4,856
Purchases	27,473	4	35,335	39,530	3,101	105,443
Interest and similar income	-	-	47	-	-	47
Miscellaneous expenses	63	1,997	2,233	51	23	4,367
Loans given	-	40	5,750	-	-	5,790
Repayment of loans taken	23,939	-	44,388	-	-	68,327
Loans taken	-	-	12,250	-	-	12,250
Loans received back	-	-	5,750	-	-	5,750
Rental income	-	-	22	-	-	22
Interests and similar expenses	248	-	326	-	-	574
Purchase of assets	172	131	164	109	-	576
Miscellaneous income	904	444	395	369	147	2,259
Sale of shares	-	50	-	-	-	50

Details of related party balances

	As at March 31 2015					
	Substantial shareholders	Entities in which V.C. Sehgal and family holds significant influence	Fellow Subsidiaries	Joint venture	Entities in which Key management personnel hold significant influence	Total
Other receivables	-	161	4,671	497	-	5,329
Trade receivables	332	6	102	1	-	441
Other payables	4,684	187	8,985	4,602	-	18,458
Loans and deposits receivable	84	542	-	-	-	626

All amounts in Euro'000, unless otherwise stated

Details of related party transactions

	Year ended March 31, 2014					
	Substantial shareholders	Entities in which V.C. Sehgal and family holds significant influence	Fellow Subsidiaries	Joint venture	Entities in which Key management personnel hold significant influence	Total
Sales	821	-	2,703	32	742	4,298
Purchases	27,900	51	35,696	21	11,558	75,226
Interest and similar income	-	-	27	-	-	27
Miscellaneous expenses	243	2,546	4,651	34	25	7,499
Loans given	-	171	2,000	4,451	-	6,622
Repayment of loans taken	-	400	18,830	-	-	19,230
Loans taken	23,986	400	27,128	-	-	51,514
Loans received back	-	-	2,000	4,451	-	6,451
Rental income	-	-	180	-	-	180
Interests and similar expenses	339	-	880	-	-	1,219
Purchase of assets	-	287	177	91	-	555
Miscellaneous income	511	29	630	25	203	1,398

Details of related party balances

	As at March 31 2014					
	Substantial shareholders	Entities in which V.C. Sehgal and family holds significant influence	Fellow Subsidiaries	Joint venture	Entities in which Key management personnel hold significant influence	Total
Other receivables	514	100	1,127	139	-	1,880
Other payables	4,067	1,843	6,128	12	-	12,050
Loans and deposits receivable	-	382	-	-	-	382
Loans and deposits payable	23,939	-	32,137	-	-	56,076

A.6.7.7 Accounting estimates and evaluations

The Group makes estimates and assumptions concerning the future and makes significant judgements in the process of application of accounting policies. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

- Determination of the useful life of intangible assets and fixed assets (see A.6.4.1 and A.6.4.2).
- Valuation of customer and engineering agreements as well as technology and fixed assets, particularly with regard to their underlying cash flow forecasts and discount rates (see A.6.4.1 and A.6.4.2).
- Determination of the level of completion, the contract revenues and contract costs of construction contracts. The Group uses the percentage-of-completion method in accounting for its fixed price contracts to deliver design services. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed. (seeA.6.4.8.1).
- Valuation of recoverable income tax assets especially with respect to deferred tax assets on tax loss carry forwards. The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. (see A.6.4.15 and A.6.6).
- Recognition and presentation of provisions and liabilities for pensions and other post-employment benefits. The present value of the pension obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related pension obligation. Other key assumptions for pension obligations are based in part on current market conditions. (see A.6.2.14.1 and A.6.4.11).
- Recognition and presentation of provisions and liabilities (esp. the accrual for price differences and the liabilities out of contract work) and to the probability of expenses arising from warranty claims and claims from legal disputes. Price accruals primarily represent the amount of price down to be given to customers, the final outcome of these price accruals is dependent on negotiation with customers (see A.6.2.14, A.6.2.16 and A.6.2.17).

These estimates and assumptions are based on the latest information available at the time that the Consolidated financial statements were prepared. The assumptions and estimates are checked and updated regularly to accommodate any actual developments that may arise.

A.6.8 Subsequent Events

There is no significant/ material post balance sheet event.

Signing of the financial statements

Mr. J.M. Buit
(Managing Director)
Amsterdam, June 01, 2015

Mr. A. Heuser
(Managing Director)
Amsterdam, June 01, 2015

Mr. L.V. Sehgal
(Managing Director)
Amsterdam, June 01, 2015

ABBREVIATIONS

€	Euro (European currency)
k€	Thousands of Euros
$	US Dollar (US currency)
£	Great British Pound (UK currency)
CNY	Chinese currency
KRW	Korean currency
MXN	Mexican currency
A$	Australian Dollar (Australian currency)
Rs.	Indian currency
THB	Thai currency
HUF	Hungarian currency
¥	Japanese Currency
BRL	Brazilian currency
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
EU	European Union

Abbreviations used for companies

SMRP BV Group	Samvardhana Motherson Automotive Systems Group B.V & subsidiaries
SMR Group	Samvardhana Motherson Reflectec Group Holdings Limited & subsidiaries
SMP Group	Samvardhana Motherson Peguform GmbH Germany, SMP Deutschland GmbH and its subsidiaries, SMP Automotive Technology Ibérica S.L. and its subsidiaries and SMP Automotive Interiors (Beijing) Co. Ltd.
SMRP BV	Samvardhana Motherson Automotive Systems Group B.V, Amsterdam (earlier known as Samvardhana Motherson B.V.)
SMR	Samvardhana Motherson Reflectec Group Holdings Limited
SMP Germany	SMP Deutschland GmbH, Bötzingen, Germany
SMP Ibérica	SMP Automotive Technology Ibérica S.L., Polinyà del Vallés, Spain
SMPG	Samvardhana Motherson Peguform GmbH, Gelnhausen (earlier known as Forgu GmbH)
NSHAM	Ningbo SMR Huaxiang Automotive Mirrors Co., Ltd, China
CPAT	Changchun Peguform Automotive Plastics Technology Co., Ltd., Changchun, China
MRA	Modulos Ribera Alta S.L.U., Zaragoza/Spain
CEFA	Celulosa Fabril S.A., Zaragoza, Spain
SMPL	Samvardhana Motherson Polymers Limited
SMGHL	Samvardhana Motherson Global Holdings Ltd
MSSL	Motherson Sumi Systems Limited
SMIL	Samvardhana Motherson International Limited (earlier known as Samvardhana Motherson Finance Limited)

STANDALONE FINANCIAL STATEMENTS

B.1 Statement of Financial Position

	Note	March 31, 2015	March 31, 2014
Assets			
Investments in subsidiaries	**B.6.3.2**	1,008,182,336	58,313,743
Other financial instruments	**B.6.3.3**	306,284,443	23,883,078
Non-current assets		**1,314,466,779**	**82,196,821**
Trade receivables		1,492,852	1,225,006
Other financial instruments	**B.6.3.3**	-	17,318,133
Other receivables and other assets	**B.6.3.4**	9,975,088	781,949
Cash and cash equivalents	**B.6.3.5**	62,569,337	1,924,710
Current assets		**74,037,277**	**21,249,798**
Total assets		**1,388,504,056**	**103,446,619**
Equity and liabilities			
Subscribed capital	**B.5**	66,176	20,500
Share premium	**B.5**	900,909,907	7,489,500
Retained earnings	**B.5**	(10,217,160)	(8,496,979)
Equity		**890,758,923**	**(986,979)**
Financial liabilities	**B.6.3.6**	485,525,074	87,663,745
Deferred tax liabilities	**B.6.4.5**	-	280,896
Non-current liabilities		**485,525,074**	**87,944,641**
Financial liabilities	**B.6.3.6**	3,500,000	10,862,190
Trade payable		2,691,055	1,876,669
Tax liabilities		-	550,000
Other liabilities	**B.6.3.7**	6,029,004	3,200,098
Current liabilities		**12,220,059**	**16,488,957**
Liabilities		**497,745,133**	**104,433,598**
Total equity and liabilities		**1,388,504,056**	**103,446,619**

The notes on pages 129 to 154 are an integral part of these financial statements.

B.2 Income Statement

	Notes	Year ended March 31, 2015	15-months period ended March 31, 2014
Revenue	**B.6.4.1**	**2,504,224**	**1,683,764**
Other operating Income	**B.6.4.2**	283,040	7,804,156
Cost of services		(3,485,716)	(1,610,738)
Other operating expenses	**B.6.4.3**	(2,680,793)	(1,344,672)
Result from operating activities		**(3,379,245)**	**6,532,510**
Finance income	**B.6.4.4**	22,581,885	4,576,700
Finance costs	**B.6.4.4**	(21,753,717)	(5,222,908)
Finance costs - net	**B.6.4.4**	**828,168**	**(646,208)**
Earnings Before Taxes (EBT)		**(2,551,077)**	**5,886,302**
Income taxes	**B.6.4.5**	830,896	(830,896)
Profit / (loss) for the year		**(1,720,181)**	**5,055,406**

The notes on pages 129 to 154 are an integral part of these financial statements.

B.3 Statement of Comprehensive Income

	Year ended March 31, 2015	15-months period ended March 31, 2014
Profit / (Loss) for the year after tax:	**(1,720,181)**	**5,055,406**
Other comprehensive income / (loss):	**-**	**-**
- Items that will not be reclassified to Profit & Loss		
Remeasurement of post-employment benefits	-	-
Deferred tax on actuarial losses	-	-
- Items that may be subsequently classified to Profit & Loss		
Exchange differences on translating foreign operations	-	-
Total comprehensive income for the year	**(1,720,181)**	**5,055,406**

The notes on pages 129 to 154 are an integral part of these financial statements.

B.4 Cash Flow Statement

	Note	Year-ended March 31, 2015	15-months period ended March 31, 2014
CASH FLOW FROM OPERATING ACTIVITIES			
Earnings before taxes	**B.2**	**(2,551,077)**	**5,886,302**
Reversal of impairment loss	**B.6.4.2**	-	(4,880,600)
Net finance cost	**B.6.4.4**	(458,215)	1,887,695
Other non-cash related adjustments	**B.6.4.4**	2,793,526	-
Foreign currency translation gain		(3,446,518)	(2,907,212)
Net earnings before changes in working capital		**(3,662,284)**	**(13,815)**
Change in working capital			
Change in trade receivables		(267,846)	(2,147,600)
Change in other receivables and assets		(377,579)	-
Change in trade payables		814,386	-
Change in other liabilities		(962,365)	222,866
Cash flow from operating activities before income tax		**(4,455,688)**	**(1,938,549)**
Income tax paid		-	-
Cash flow from operating activities (A)		**(4,455,688)**	**(1,938,549)**
CASH FLOW FROM INVESTING ACTIVITIES			
Investment in subsidiaries		(42,759,400)	(1,542,000)
Cash flow from investing activities (B)		**(42,759,400)**	**(1,542,000)**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from issue of shares/capital contributions		-	1,500,000
Loans given to subsidiaries		(566,240,499)	(58,311,052)
Repayment of loan given to subsidiaries		304,055,670	22,013,108
Proceeds from long term borrowings		483,855,133	66,970,006
Repayment of long term borrowings		(86,381,991)	-
Repayment of short term borrowings (net of receipts)		(23,191,591)	(26,543,300)
Interest received		9,474,812	1,271,257
Interest paid		(14,001,889)	(3,158,952)
Cash flow from financing activities (C)		**107,569,645**	**3,741,067**
Changes in cash and cash equivalents (A+B+C)		60,354,557	260,518
Cash and cash equivalents at beginning of period	**B.6.3.5**	1,924,710	1,665,814
Variation in cash and cash equivalents from translation in foreign currencies		290,070	(1,622)
Cash and cash equivalents at end of year	**B.6.3.5**	**62,569,337**	**1,924,710**

The notes on pages 129 to 154 are an integral part of these financial statements.

B.5 Statement of Changes in Equity

	Attributable to owners of Group			Total equity
	Share capital	**Share premium**	**Retained earnings**	
As at January 01, 2013	**18,000**	**5,992,000**	**(13,552,385)**	**(7,542,385)**
Comprehensive income				
Profit for the period	-	-	5,055,406	5,055,406
Total comprehensive income	**-**	**-**	**5,055,406**	**5,055,406**
Transactions with owners				
Shares issued during the period	2,500	1,497,500	-	1,500,000
As at March 31, 2014	**20,500**	**7,489,500**	**(8,496,979)**	**(986,979)**
As at April 01, 2014	**20,500**	**7,489,500**	**(8,496,979)**	**(986,979)**
Comprehensive income				
Loss for the year		-	(1,720,181)	(1,720,181)
Total comprehensive income	**-**	**-**	**(1,720,181)**	**(1,720,181)**
Transactions with owners				
Shares issued during the year	45,676	893,420,407	-	893,466,083
As at March 31, 2015	**66,176**	**900,909,907**	**(10,217,160)**	**890,758,923**

The notes on pages 129 to 154 are an integral part of these financial statements.

B.6 Notes to the Financial Statements

B.6.1 General information and description of the business

Samvardhana Motherson Automotive Systems Group BV, Amsterdam (previous Samvardhana Motherson B.V., hereafter referred as "Company" or "SMRP BV") is a private company with limited liability (a wholly-owned subsidiary of Samvardhana Motherson Polymers Limited), incorporated under the laws of the Netherlands on 7 October 2011, having its corporate seat at Amsterdam, with offices at Claude Debussylaan 24, 1082 MD Amsterdam (the Netherlands).

The principal business activities of the Company are holding, financing and management activities.

B.6.2 Summary of Significant Accounting Policies

B.6.2.1 Basis of preparation

The financial statements of the Company comprise the period April 01, 2014 to March 31, 2015.

As per the end of March 31, 2014 SMRP BV changed its fiscal year from 1 January to 31 December into period from 1 April to 31 March. Therefore, the previous financial year is a 15 months period from January 1, 2013 to March 31, 2014. Due to this change, the comparative figures presented are partly not comparable. This relates especially to the comparable figures in the income statement.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union, and comply with the financial reporting requirements in section 9 of Book 2 of the Netherlands Civil Code, as far as applicable. These correspond to the IFRS issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") or by the previous Standing Interpretations Committee ("SIC") and approved by the European Union.
The financial statements have been prepared on a going concern basis and in accordance with the accrual basis of accounting. The financial statements have been prepared under the historical cost convention except for property, plant and equipment, available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments) at fair value through profit or loss.

In case no other policies are mentioned, refer to the accounting policies as described in the accounting policies in the consolidated financial statements of this Annual Report. For an appropriate interpretation, the parent financial statements of the Company should be read in conjunction with the consolidated financial statements.

The financial statements are presented in euros and all values are rounded to the nearest euro, except when otherwise indicated.

These financial statements have been authorised for issue by SMRP BV’s management and supervisory board on June 01, 2015.

B.6.2.2 Functional and presentation currency

The financial statements are presented in Euro (€), which is the Company's functional currency, as it is the currency of the primary economic environment in which the Company operates.

B.6.2.3 Transactions in foreign currencies

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the rate prevailing on this date. Differences from foreign currency transactions are reported in the income statement. Non-monetary assets and liabilities that are measured at historical cost in foreign currencies at the reporting date are translated into the functional currency at the rate prevailing on the day of the transaction. Non-monetary assets and liabilities that are measured at fair value in foreign currencies at the reporting date are translated into the functional currency at the rate prevailing on the date on which the fair value was determined.

B.6.2.4 Investments in subsidiaries

Subsidiaries are entities over which the Company has control. Control is the power to govern the financial and operating policies, generally accompanying a shareholding of more than one half of the voting rights. Joint ventures are entities over which the company exercises joint control with a third party (or parties) or co-investor(s). Associates are entities over which the company exercises neither control, nor joint control, but does have a significant influence on the financial and operating policies.

In line with IAS 27.10a, the investments in subsidiaries have been valued at cost. Dividend will be recognised in the financial income when received or when the Company is legally entitled to the dividend.

In general, the Company yearly performs reviews at the reporting date to determine whether there were indications that financial fixed assets or their cash-generating units have to be impaired. The amount of impairment is the difference between the asset´s carrying amount and the recoverable amount. The recoverable amount of a fixed asset or a cash-generating unit is the higher of fair value less costs to sell and the value in use. Calculation of recoverable amount bases on estimated future cash flows, discounted at the effective interest rate at the reporting date. Impairments are reported in the income statement.

B.6.2.5 Financial instruments

A financial instrument is any agreement that leads to the generation of financial asset at one company and/or to a financial liability or equity instrument at another. Financial instruments can be placed into one of four categories according to their intended purpose: financial assets measured at fair value through profit or loss, financial assets held to maturity, loans and receivables, financial assets available for sale.

Financial instruments include primary financial instruments such as receivables and trade liabilities, securities, debt instruments and other financial liabilities. They also include derivative financial instruments used to hedge against risks arising from changes in exchange rates and interest rates.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

Primary financial instruments

Primary financial instruments are allocated to one of four categories according to their intended purpose. This allocation is re-assessed at each reporting date and it is determined whether the asset is to be reported as current or non-current.

a. Financial assets carried at fair value through profit or losses are initially recognised at fair value, and transaction costs are expensed in the income statement. Changes in the fair value of financial assets measured at fair value – either because they have been reported as such upon initial recognition or are held for trading – are recognised directly in the income statement. They are also reported as current assets if they are being held for trading or it can be reasonably expected that they will be converted within twelve months from the reporting date.

b. Financial assets held to maturity are initially recognised at fair value plus transaction costs. Financial assets held to maturity which exhibit fixed or determinable payments and a fixed maturity period, and which the Group wishes and is able to hold until maturity are measured at amortised cost and reported depending on their maturity period as non-current or current assets. The amortisation and losses arising from impairments are recognised in the statement of profit or loss.

c. Loans and receivables are initially recognised at fair value plus transaction costs. Loans and receivables that have fixed or determinable payments and are not listed on an active market are measured at amortised cost using the effective interest method less any necessary write-downs arising from impairments. They are reported in the statement of financial position under other receivables and other assets unless they are trade receivables, and are recorded as non-current or current depending on their maturity period.

d. Available-for-sale financial assets that have been reported as such upon initial recognition are measured at fair value, provided that this can be determined, and then reported as non-current or current assets, depending on the expected time of sale. Gains and losses from changes in fair value are recorded net, i.e. after tax, and taken directly to equity ("Other comprehensive income") until the financial asset has been derecognised. In the event that an asset is impaired permanently, however, the loss must be recorded directly in the income statement. If it is not possible to determine the fair value, for example with holdings in non-consolidated affiliated companies or other investments in companies, these assets are measured at cost.

Financial liabilities are initially recognised at fair value less transaction costs for liabilities not recognised at fair value through profit or loss. Subsequently financial liabilities from primary financial instruments are measured at amortised cost. The Group measures all financial liabilities except derivatives at amortised cost, which encompasses the remaining debt amount less expenses. Liabilities from finance leases are measured at the present value of the remaining minimum lease payments on the basis of the interest rate underlying the leasing agreement. Financial liabilities with fixed or determinable payments that are neither debt instruments nor derivative financial instruments listed on an active market are reported in the statement of financial position under other liabilities in accordance with their maturity. All financial instruments are therefore measured at historical cost or amortised cost less impairments.

B.6.2.6 Derivative financial instruments

Derivative financial instruments that are not part of a hedging relationship are carried at fair value upon initial recognition, corresponding to the fair value of the consideration received or given in return. After initial recognition, derivative financial instruments are carried at fair value, which is based on the market value of the financial instrument. Any changes in fair value are recorded directly in profit or loss.

B.6.2.7 Trade receivables

Trade receivables are amounts due from subsidiaries for the cost of services charged to them as per the Service Level Agreements entered into with those subsidiaries.

B.6.2.8 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and short-term deposits with an original maturity three months or less.

B.6.2.9 Taxes

Current taxes are those taxes foreseeably payable on a year's taxable income in accordance with the statutory tax rates or tax rates that had been substantially adopted as of the reporting date, as well as all adjustments to payable taxes in relation to previous reporting periods.

Income taxes for the annual result reported in the income statement comprise current taxes and deferred taxes. Income taxes are recorded in the income statement unless they relate to items recognised directly in equity or in other comprehensive income. In this case, the income taxes incurred are also recognised directly in equity or in other comprehensive income.

Deferred tax assets and liabilities are recognised for all temporary differences between the carrying amount as per IFRS and the relevant tax assessment basis. Deferred tax liabilities are not recognised for temporary differences ("outside-basis differences") if the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax liabilities for dividends from subsidiaries will be recognised if the parent company determines that the profits of the respective subsidiary will be distributed in the foreseeable future. Deferred tax assets contain tax assets that are derived from the expected utilization of unused tax losses and unused tax credits, unless it is improbable that the future taxable profits will be available against which the temporary differences can be utilized. Deferred taxes are calculated on the basis of the tax rates that are expected to apply to the period when the asset is realized and the liability is settled, based on the tax rates that have been enacted or substantively enacted by the end of the reporting period in the respective country.

B.6.2.10 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.
Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a pre-payment for liquidity services and amortized over the period of the facility to which it relates.
General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

B.6.2.11 Recognition of income and expenses

Revenue related to services is based on service level agreements entered into with the subsidiaries.

Operating expenses are recognised when goods or services are used or when the expense is incurred.
Interest expense is recognised using the effective interest method as an expense or income for the period in which it occurs. This allows a constant, periodic interest rate for the remainder of the liability to be calculated.

Dividend income is recognised when the right to receive payment is established.

Interest income is recognised on a pro-rata basis for the period funds were given to the subsidiaries as per the rate of interest mentioned in the loan agreements.

B.6.2.12 Changes in accounting policies and disclosures

The IASB has adopted the following changes to existing IFRS and adopted new IFRS standards, which have also already been adopted by the European Commission, thereby making their application mandatory as for Financial Year 2014-15 to the extent relevant for the Group has been applied consistently over the three years.

New standards and interpretations

Amendments to IFRS 10, IFRS 12 and IAS 27)	Investment Entities
Amendments to IAS 32	Offsetting financial instruments asset and liability
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting
IFRIC 21	Levies
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of interests in other entities
IAS 27	Separate financial statements
IAS 28	Investments in Associates and Joint Ventures
Amendments to IFRS 10, 11, 12	Transition guidance
Amendments to IAS 36	Recoverable Amount disclosures for Non-Financial Assets

The first-time adoption of the new or revised IFRS did not have any material effect on the net asset, financial or income position of the Group.

Future changes to accounting regulations

The IASB and IFRIC have adopted further standards and interpretations, but the adoption of these is not mandatory for the reporting period or they have not been endorsed by the European Commission. This concerns the following standards and interpretations relevant to the Group:

	Adoptions for reporting periods that begin on or after the specified date (in accordance with EU endorsement)
Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)	1 July 2014
Annual Improvements to IFRSs 2010 – 2012 Cycle	1 July 2014
Annual Improvements to IFRSs 2011 – 2013 Cycle	1 July 2014
Accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11)	Not yet endorsed
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	Not yet endorsed
IFRS 15 Revenue from Contracts with Customers	Not yet endorsed
IFRS 9 Financial Instruments	Not yet endorsed
Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities: Applying the Consolidation Exception	Not yet endorsed
Amendments to IAS 1: Disclosure Initiative	Not yet endorsed
Annual Improvements to IFRSs 2012–2014 Cycle	Not yet endorsed
Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Not yet endorsed
Amendments to IAS 27: Equity Method in Separate Financial Statements	Not yet endorsed

From a current point of view there will not be any material effects on the Group's net assets, financial position and results of operations from the first-time application of the new or revised standards and interpretations.

However, the effects are not analysed finally yet. An early adoption of any of the new standards and interpretations is not planned.

B.6.3 Disclosures regarding the Consolidated Statement of Financial Position

B.6.3.1 Shareholder's equity

The authorised share capital of the Company amounts to € 90,000, divided into 90,000 shares with a nominal value of € 1 each. The issued and paid in capital amounts to € 66,176, divided into 66,176 shares with a nominal value of € 1 each.

Movement during the period can be summarised as follows:

	Number of equity shares (in No.s)	Share Capital (in €)
As at January 01, 2013	18,000	18,000
Add: Issued during the period	2,500	2,500
As at March 31, 2014	**20,500**	**20,500**
Add: Issued during the year	45,676	45,676
As at March 31, 2015	**66,176**	**66,176**

On June 13, 2014 the Company issued 45,676 shares of € 1 each to Samvardhana Motherson Group Holdings Limited, Cyprus (SMGHL) in lieu of acquisition of 98.45% interest in Samvardhana Motherson Reflectec Group Holdings Limited (SMR) for a non-cash consideration of € 905,716,083 consisting of € 45,676 towards share capital and transfer of € 12,250,000 loan from MSSL Middle East FZE, the remaining amount of € 893,420,407 was recognised as share premium. As a result of this transaction, SMRP BV has become subsidiary of SMGHL and SMR has become subsidiary of SMRP BV.

As this transaction is done under "common control" as defined by IFRS, the activities of SMR Group have been included in these consolidated accounts using the predecessor accounting method, e.g. the financial statements have been consolidated as of 1 January 2013. i.e. the audited consolidated financial statements for year ended March 31, 2015 have been prepared incorporating the financial performance of SMR Group for full twelve months i.e. From April 1, 2014 to March 31, 2015 and corresponding figures for the previous period were for fifteen months period i.e. From January 1, 2013 to March 31, 2014 and hence SMR Group has also been incorporated for same period in the prior period. This accounting treatment leads to differences in the consolidated financial statements between consideration and fair value of the underlying net assets and this difference is included within equity as a merger reserve in the consolidated financial statements; whereas in the parent financial statements this transaction is recorded in the current year at the date of acquisition.

B.6.3.1.2 Differences between the company equity and the group's consolidated equity

The difference between the company equity and the group's consolidated equity is explained by the fact that the company calculates the group's investments in subsidiaries against the net asset value; however these are accounted for at historical costs in the company financial statements. Further differences can be explained by the results on intercompany transactions.

The difference between the company and group's consolidated equity and result for the year can be shown as follows:

	As at March 31, 2015
Equity in accordance to the consolidated financial statements	335,401,740
Add: negative net asset values of consolidated subsidiary companies	243,773,140
Add: not realised cumulative intercompany results	311,584,043
Equity in accordance to the company financial statements	**890,758,923**

B.6.3.1.3 Difference in results

	Year ended March 31, 2015
Result for the year in accordance to the consolidated financial statements	159,641,949
Result of consolidated subsidiary companies	(177,556,981)
Results on Intercompany transactions	16,194,851
Result for the year in accordance to the company financial statements	**(1,720,181)**

B.6.3.2 Investment in subsidiaries

The Company has prepared consolidated financial statements. In line with IAS 27, the investments have been valued at cost in the company's separate financial statements. A summary of movement in the investments is presented below:

	Amount in €
At January 01, 2013	50,491,143
Investments during the period	2,942,000
Reversal of impairment loss	4,880,600
At March 31, 2014	**58,313,743**
Investments during the year	949,868,593
At March 31, 2015	**1,008,182,336**

B.6.3.2.2 Details of investments

The carrying value of investments in subsidiaries and the percentage of shareholding are as below:

Name of the entity	Share	March 31, 2015	March 31, 2014
Samvardhana Motherson Reflectec Group Holdings Limited	98.45%	905,716,083	-
Samvardhana Motherson Peguform GmbH	100.00%	3,804,191	3,804,191
SMP Automotive Interiors (Beijing) Co. Ltd	100.00%	1,400,000	1,400,000
SMP Automotive Technology Ibérica, S.L.*	100.00%	97,261,742	53,109,232
SMP Automotive Systems México, S. A. de C. V.	00.00%	320	320
Total		**1,008,182,336**	**58,313,743**

**Shareholding as at March 31, 2014 was 83.72%*

B.6.3.2.3 Impairment of investments

At the end of each reporting period, the Company performs a review of the carrying value of its investments to determine whether there were indications that any of these investments may have been impaired. The amount of impairment is the difference between the investments carrying amount and the recoverable amount. The recoverable amount is the higher of fair value less costs to sell and the value in use. Calculation of recoverable amount is based on estimated future cash flows, discounted at the effective interest rate at the reporting date. As at the end of March 31, 2015 there were no indications of decline in the recoverable value and hence no impairment loss needs to be recognised in the financial statements.

During the financial year ended December 31, 2012 the Company recognised an impairment loss of € 4,880,600 on its investment SMP Automotive Technology Ibèrica S.L. However, during the financial year ended March 31, 2014 the impairment loss has been reversed as the value in use was found to be higher than the carrying amount. The reversal was based on the estimation of future cash flows of SMP Automotive Technology Ibèrica S.L. and its subsidiaries in Spain, Portugal, Brazil and Mexico. The reversal of impairment loss has been recorded as other income in the Income Statement for the year ended March 31, 2014.

B.6.3.2.4 Investments pledged as security

Shares in Samvardhana Motherson Reflectec Group Holdings Limited, Samvardhana Motherson Peguform GmbH, SMP Automotive Technology Ibérica, S.L. have been pledged as security for borrowings, refer Note B.6.5.2 for details.

B.6.3.2.5 Investment in SMR

On June 13, 2014, the Company acquired 98.45% shareholding of Samvardhana Motherson Reflectec Group Holdings Limited (SMR) from Samvardhana Motherson Group Holdings Limited, Cyprus (SMGHL) in share exchange deal wherein SMGHL transferred its entire shareholding (including acquired on June 9, 2014 from minority shareholders) to SMRP BV in exchange of 45,676 shares of a nominal value of euro one each issued by SMRP BV and consequently SMRP BV has become subsidiary of SMGHL. SMRP BV Group and SMR were jointly controlled by Motherson Sumi Systems Limited and Samvardhana Motherson International Limited prior to June 13, 2014.

B.6.3.3 Other financial instruments

	March 31, 2015	March 31, 2014
Non-current		
Loans to subsidiaries	306,284,443	23,883,078
Total	**306,284,443**	**23,883,078**
Current		
Loans to subsidiaries	-	15,925,023
Financial asset Call-Put Option		1,393,110
Total	**-**	**17,318,133**

The maximum exposure to the credit risk is the carrying value of instruments. The loans given to subsidiaries currently carry interest rate from 4.30% to 7.03% determined on the basis of credit worthiness of the relevant subsidiary and are repayable on or before March 31, 2018.

B.6.3.4 Other receivables and assets

	March 31, 2015	March 31, 2014
Interest receivable from subsidiaries	9,465,708	650,148
Prepaid expenses	2,824	15,801
Others	506,556	116,000
Total	**9,975,088**	**781,949**

The carrying values approximately correspond to the fair values.

B.6.3.5 Cash and cash equivalents

	March 31, 2015	March 31, 2014
Cash at bank	62,569,337	1,924,710
Cash in hand	-	-
Total	**62,569,337**	**1,924,710**

B.6.3.6 Financial liabilities

	March 31, 2015	March 31, 2014
Non-current financial liabilities		
Senior secured notes (at amortized cost)	485,525,074	-
Bank borrowings (at amortized cost)	-	61,294,827
Loans from shareholder	-	23,602,033
Loans from related parties	-	2,766,885
Total non-current financial liabilities	**485,525,074**	**87,663,745**
Current financial liabilities		
Loan from banks	-	10,862,190
Loans from related parties	3,500,000	-
Total current financial liabilities	**3,500,000**	**10,862,190**

The notes carry a coupon of 4.125% annually and mature on July 15, 2021. For details on security and repayment, refer Note B.6.5.2.

Bank borrowings as at March 31, 2014 have been repaid in full during the year by utilising the proceeds from issue of senior secured notes. These borrowings were obtained at an interest rate of 3M USD Libor + 3.25%~3.40%.

Loans from shareholder were obtained from Samvardhana Motherson Polymers Limited at an interest rate of 3M USD Libor + 3.25% and loans from related parties were obtained from MSSL Mideast (FZE) at an interest rate of 3M USD Libor +3.50% during the year ended March 31, 2014. These loans have been repaid in full during the current financial year by utilising the proceeds from the issue of senior secured notes.

B.6.3.7 Other liabilities

	March 31, 2015	March 31, 2014
Interest and commitment fee on borrowings	4,566,658	782,418
VAT payable	162,204	19,353
Outstanding capital contribution	-	1,400,000
Accruals	919,327	879,722
Other payables	380,815	118,605
Total	**6,029,004**	**3,200,098**

The other liabilities are considered predominantly short term in character.

B.6.4 Disclosures regarding the Income Statement

B.6.4.1 Revenues

	Year ended 31 March 2015	15-months period ended 31 March 2014
Management Services	1,315,745	310,570
Accounting Services	34,009	81,491
General Services	1,154,470	1,291,703
Total	**2,504,224**	**1,683,764**

B.6.4.2 Other operating income

	Year ended 31 March 2015	15-months period ended 31 March 2014
Reversal of impairment	-	4,880,600
Gain on Put-Call Option	-	2,699,487
Foreign exchange gain (net)	283,040	224,069
Total	**283,040**	**7,804,156**

B.6.4.3 Other operating expenses

	Year ended 31 March 2015	15-months period ended 31 March 2014
General administration expenses	241,800	453,996
Auditors remuneration	736,178	751,039
Net foreign exchange loss	-	6,819
Legal & professional expenses	1,702,815	132,818
Total	**2,680,793**	**1,344,672**

During the year, following amounts were recorded as auditor's fee in the income statement

	Year ended 31 March 2015	15-months period ended 31 March 2014
Audit of the financial statements	736,178	751,039
Total	**736,178**	**751,039**

The fees listed above relate to the procedures applied to the Company and its consolidated group entities by audit firm's member of the PricewaterhouseCoopers network. In the period under review, the fees related to services provided by PwC Accountants N.V. totalled € 80,000 (March 31, 2014: € 50,000).

B.6.4.4 Financial costs and income

	Year ended 31 March 2015	15-months period ended 31 March 2014
Interest Income	18,231,211	1,271,257
Foreign exchange gain	4,350,674	3,305,443
Total finance income	**22,581,885**	**4,576,700**
Foreign exchange losses	1,187,195	615,325
Interest expense on borrowings	17,772,996	4,607,583
Amortization of borrowing costs	2,793,526	-
Total finance expenses	**21,753,717**	**5,222,908**

Foreign exchange gain / loss contain amounts from the revaluation of foreign currency financial assets and liabilities.

B.6.4.5 Income taxes

Deferred income taxes are calculated using the balance-sheet based liability method. Deferred tax assets and liabilities are recognised for all temporary differences between the carrying amount of an asset or liability and the values used for taxation purposes.

The income tax credit/expense comprises the following:

	Year ended March 31, 2015	15-months period ended 31 March 2014
Current tax expense	(550,000)	550,000
Deferred tax expense /(credit)	(280,896)	280,896
Total	**(830,896)**	**830,896**

The applicable tax rate for the Company is 25% as per the corporate tax laws prevailing in the Netherlands. A reconciliation of tax expense and accounting profit is presented below

	Year ended March 31, 2015	15-months period ended 31 March 2014
Earnings before tax	(2,551,077)	5,886,302
Tax on profit /(losses)	(637,769)	1,471,575
Deferred tax asset not recognised on loss	87,769	(921,575)
Deferred tax on deductible temporary differences	(280,896)	280,896
Tax expense	**(830,896)**	**830,896**

Deferred tax assets have not been recognised on carry forward of losses as they are not expected to be recoverable in the near future. Deferred taxes are determined on the basis of tax rates that are applicable or can be expected at the time of the realisation of the gain. The expiry date of unused tax losses is as below:

Expiry date	Amount
March 31, 2020	2,863,932
March 31, 2021	27,410
March 31, 2023	1,242,725
March 31, 2024	2,551,077
Total unused tax losses	**6,685,144**

B.6.5 Other disclosures

B.6.5.1 Financial instruments

The following table shows the carrying amounts and fair values of the Company's financial instruments

Financial instruments	Category according to IAS 39	Carrying Amt. March 31, 2015	Measurement according to IAS 39		Fair Value March 31, 2015	Not in Scope
			Amortised cost	At fair value		
Assets						
Other financial instruments	LaR	306,284,443	306,284,443		306,284,443	
Trade receivables	LaR	1,492,852	1,492,852	-	1,492,852	-
Other receivables and other assets	LaR	9,975,088	9,706,249	-	9,706,249	268,839
Cash and cash equivalents	LaR	62,569,337	62,569,337		62,569,337	
Liabilities						
Financial liabilities (non-current)	FLAC	485,525,074	485,525,074		392,319,521	
Financial liabilities (current)	FLAC	3,500,000	3,500,000		3,500,000	
Trade payable	FLAC	2,691,055	2,691,055	-	2,691,055	-
Other liabilities	FLAC	6,029,004	4,947,473	-	4,947,473	1,081,531
Thereof: aggregated by category according to IAS 39						
Loans and Receivables (LaR)		**380,321,720**	**380,052,881**	**-**	**380,052,881**	**268,839**
Financial liabilities measured at amortised cost (FLAC)		**497,745,133**	**496,663,602**	**-**	**403,458,049**	**1,081,531**

Financial instruments	Category according to IAS 39	Carrying Amt. March 31, 2014	Measurement according to IAS 39		Fair Value March 31, 2014	Not in Scope
			Amortised cost	At fair value		
Assets						
Other financial instruments (non-current)	LaR	23,883,078	23,883,078		23,883,078	
Trade receivables	LaR	1,225,006	1,225,006	-	1,225,006	-
Other financial instruments (current)	LaR	17,318,133	15,925,023	1,393,110	17,318,133	-
Other receivables and other assets	LaR	781,949	650,148	-	650,148	131,801
Cash and cash equivalents	LaR	1,924,710	1,924,710		1,924,710	
Liabilities						
Financial liabilities (non-current)	FLAC	87,663,745	87,663,745		87,663,745	
Financial liabilities (current)	FLAC	10,862,190	10,862,190		10,862,190	
Trade payable	FLAC	1,876,669	1,876,669	-	1,876,669	-
Tax liabilities	FLAC	550,000	-	-	-	550,000
Other liabilities	FLAC	3,200,098	2,301,023	-	2,301,023	899,075
Thereof: aggregated by category according to IAS 39						
Loans and Receivables (LaR)		**45,132,876**	**43,607,965**	**1,393,110**	**45,001,075**	**131,801**
Financial liabilities measured at amortised cost (FLAC)		**104,152,702**	**102,703,627**	**-**	**102,703,627**	**1,449,075**

Due to the short-term nature of cash and cash equivalents and the short-term maturities of trade receivables, trade payables, other receivables and liabilities, their fair values are equal to their carrying amounts.

As this is of little importance to the Company, there is no tabular portrayal of the structure of each financial instrument class using the three-level fair value hierarchy. These three levels separate fair values by the significance of the factors of influence included in their measurement and show the extent to which market data is available when measuring the fair value.

The following table shows the interest income and expense for financial instruments

	Year ended March 31, 2015	**15-months period ended 31 March 2014**
Loans to subsidiaries	18,231,211	1,271,257
Financial liabilities measured at amortised cost	17,772,996	4,607,583

Interest income for loans to subsidiaries is included in interest income and interest expense on financial liabilities measured at amortised cost is included in interest expense.

A description of the Company's financial instrument risks, including risk management objectives and policies is given in note B.6.5.4.

B.6.5.2 Issue of Senior Secured Notes and Revolving Credit Facilities

During the year ended March 31, 2015, the Company issued Euro 500,000,000 4.125% Senior Secured Notes due 2021 (the "Notes"). The Notes bear interest at a rate of 4.125% payable semi-annually on January 15 and July 15 of each year and will mature on July 15, 2021. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange.

The Notes carry a prepayment option and as per the terms of the indenture the Subsidiary may at any time on or after July 15, 2017, redeem all or part of the Notes by paying the redemption prices set forth in the indenture. Prior to July 15, 2017, the Subsidiary is entitled at its option, to redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a "make-whole" premium. In addition, prior to July 15, 2017, the Subsidiary may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.

The Notes are structured as senior secured obligations and will rank 'pari passu' in right of payment with all the existing and future senior obligations of SMRP BV, including the obligations under the Revolving Credit Facility and the Secondary Revolving Credit Facility. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.

The gross proceeds from the issuance of the Notes, directly or indirectly through the use of intercompany loans or distributions was utilized, after meeting initial notes issue expenses, for repayment of Third Party Indebtedness including shareholder loans amounting to € 429.7 Million and for working capital requirement and capex at subsidiaries amounting to € 54.0 Million.

SMRP BV also entered into Revolving Credit Facility Agreement with a consortium of banks on the date of issue of the Notes. SMRP BV is the original borrower under the Revolving Credit Facility Agreement. The Revolving Credit Facility Agreement is guaranteed by the Guarantors, and will benefit from the same collaterals as the Notes. The Revolving Credit Facility Agreement establishes revolving facility that provides for borrowing of an aggregate principal amount of up to €125.0 million (the “Revolving Credit Facility”) available for financing working capital and general corporate needs of SMRP BV and its subsidiaries as well as any permitted acquisitions and capital expenditure and funding any fees, costs and expenses. The facility matures in 2019.

On June 17, 2014 SMP Deutschland GmbH entered into a secondary revolving credit facility agreement (the “Secondary Revolving Credit Facility Agreement”) with Standard Chartered Bank in an amount of €50.0 million, which matures in 2016. The Secondary Revolving Credit Facility is guaranteed on a senior basis by SMRP BV and the same subsidiaries of SMRP BV that guarantee the Notes. The obligations under the Secondary Revolving Credit Facility are secured on a pari passu basis by first priority security interests, subject to certain permitted liens, in the same Collateral that secure the Notes, the Revolving Credit Facility and certain hedging obligations. This facility is used as required to finance the production of products to deliver under certain sales contracts (including payments to sub-contractors in relation to such production), reimbursement of amounts expended by the borrower in connection with productions of products or payments to subcontracts and funding any fees, costs and expenses.

B.6.5.3 Contingent Liabilities

The Company has issued senior secured notes and entered into revolving credit facilities during the year. As per the terms of the agreement, the Company is the initial guarantor to these borrowings and has provided security of its assets along with assets of certain of its subsidiaries for these borrowings. Refer Note B.6.5.2 for details on the arrangement. There are no other contingent liabilities.

B.6.5.4 Risk management with respect to financial risks

The Company's primary financial assets and liabilities include loans given to its subsidiaries and borrowings from third parties. The Company's financial assets like receivables, cash and cash equivalents arise directly out of these primary financial assets and liabilities.

These financial instruments are potentially exposed to foreign currency risk, credit risk and liquidity risk. Information on how these risks arise is set out below, as are the objectives, policies and processes agreed by the board for their management and the methods used to measure each risk.

The objective of the Company's treasury is to manage the financial risk, secure cost-effective funding for the Company and its subsidiaries operations and to minimise the adverse effects of fluctuations in the financial markets on the value of the Company's financial assets and liabilities, on reported profitability and on the cash flows of the Company. The treasury team is accountable to the board.

The Company gives due consideration to its risk mitigation process and ensures that appropriate measures are taken to avoid, reduce and transfer or intentionally accept risk. During the period the Company did not enter into any complex financial instruments nor had established any hedge relationship.

Credit risk
Credit risk is the risk of financial loss due to counterparty's failure to honour its obligations and arises principally in relation to transactions where the Company provides funding to its subsidiaries.
Credit risk arises from cash and cash equivalents, loans to subsidiaries, trade and other receivables. For banks and financial institutions, the Company maintain relationships with only creditworthy banks which it reviews on an on-going basis. Consequently, the credit risk related to bank balances is not considered material. Loans given to subsidiaries, trade and other receivables represent balances with subsidiaries, accordingly no credit risk is perceived on these balances.

The following table shows the ageing of trade and other receivables that were not impaired:

	Total	Neither past due nor impaired	Past due but not impaired				
			< 30 days	30-90 days	90-180 days	180-360 days	>360 days
31 March 2015							
Trade receivables	1,492,852	912,438		184,660	20,322	47,109	328,323
Cash and cash equivalents	62,569,337	62,569,337	-	-	-	-	-
Interest receivable from subsidiaries	9,465,708	-	8,797,264	-	47,900	231,044	389,500
Other receivables	506,556	266,015	-	-	-	240,541	-
31 March 2014							
Trade receivables	1,225,006	749,052	-	189,881	90,735	62,448	132,890
Cash and cash equivalents	1,924,710	1,924,710	-	-	-	-	-
Interest receivable from subsidiaries	650,148	-	650,148	-	-	-	-
Other receivables	116,000	116,000	-	-	-	-	-

Liquidity risk

The liquidity risk encompasses any risk that the Company cannot fully meet its financial obligations on time or at a reasonable price. The treasury is responsible for liquidity, funding as well as settlement management. In addition, liquidity and funding risks, related processes are overseen by management regularly. Financial liabilities for which the corresponding counterparty can demand repayment at any time are assigned to the earliest possible time period.

The following table shows the remaining contractual maturities of financial liabilities of the Group presented on a gross and undiscounted basis and include estimated interest payments and exclude the impact of netting arrangements:

Financial Liabilities	**31 March 2015**			
	Less Than 1 Year	**1 to 5 years**	**More than 5 years**	**Total**
Financial liabilities (non-current)	20,625,000	82,500,000	530,937,500	**634,062,500**
Financial liabilities (current)	3,511,278	-	-	**3,511,278**
Trade payable	2,691,055	-	-	**2,691,055**
Other liabilities	593,305	-	-	**593,305**
Total	**27,420,638**	**82,500,000**	**530,937,500**	**640,858,138**

Financial Liabilities	31 March 2014			
	Less Than 1 Year	1 to 5 years	More than 5 years	Total
Financial liabilities (non-current)	3,568,414	91,365,961	-	**94,934,375**
Financial liabilities (current)	11,109,100	-	-	**11,109,100**
Trade payable	1,876,669	-	-	**1,876,669**
Other liabilities	1,518,605	-	-	**1,518,605**
Total	**18,072,788**	**91,365,961**	**-**	**109,438,749**

Market risk

Interest rate risk

Due to the fixed terms of interest at which borrowings are obtained and fixed terms for loans given to subsidiaries, the Company is not exposed to cash flow interest rate risk on financial assets and liabilities. The terms of revolving credit facility provides Euribor as the relevant base rate for amounts utilised under the facility, however given the current weak Euribor rates, the management does not expect any material impact of future changes in the Euribor.

Foreign currency risk

The Group is also exposed to market risk with respect to changes in foreign exchange rates. These changes may affect the operating result and financial position.
Foreign exchange risk arises from loans given to few subsidiaries in US dollar and the related interest receivable. The Company conducted sensitivity analyses at year-end to estimate the currency risk of these monetary financial instruments. If the USD were to increase by 10% against the Euro, receivables would increase by € 1,756,549 as on March 31, 2015 and if it were to decrease by 10%, receivables would decrease by € 1,596,863. Net impact on equity would be gain of € 1,756,549 and a loss of € 1,596,863 in the mentioned two conditions. There is no financial instrument in place within the Group to manage the foreign currency risk at the moment.

Receivables and liabilities in foreign currencies as of the reporting date are listed in the following table:

In USD	March 31, 2015	March 31, 2014
Foreign currency receivables	18,847,772	26,665,164
Foreign currency liabilities	-	138,294,779

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

For this purpose, an important indicator for the Group is the gearing ratio of financial debt to shareholders' equity as shown in the statement of financial position. Since these terms are generally not governed by International Financial Reporting Standards their definition and calculation may vary from one company to another.

	March 31, 2015	March 31, 2014
Shareholders' equity	890,758,923	(986,979)
Shareholders' equity	**890,758,923**	**(986,979)**
in % of total capital	**67%**	**-1%**
Non-current financial liabilities	485,525,074	87,663,745
Current financial liabilities	11,138,528	15,039,883
Total Debt	**496,663,602**	**102,703,628**
Less : Cash & Cash Equivalents	(62,569,337)	(1,924,710)
Debt (Net)	**434,094,265**	**100,778,918**
in % of total capital	**33%**	**101%**
Total capital as defined for capital management purposes	**1,324,853,188**	**99,791,939**

In addition to the debt/equity balance, the Company also manages the cash and cash equivalents position as defined in the statement of financial position on an on-going basis in the context of capital management.

The Company is not subject to any capital requirements on the basis of its Articles of Incorporation. Certain capital requirements were contractually imposed in loan agreements with the financial institutions. As per the terms of the Notes and Revolver Credit Facilities referred to in note B.6.5.2 the Company is required to maintain financial covenants of net leverage ratio not exceeding 3.25x and net interest cover ratio more than 3.0x calculated on the group's financial statements. As at March 31, 2015 the Company has complied with both these financial covenants. The Company continuously monitors these covenants and it is controlled by capital measures regarding both, shareholders equity as well as debt.

B.6.5.5 Related parties

During the year the Company entered into transactions, in the ordinary course of business, with related parties. Transactions entered into, include the sale and purchase of goods and services. In addition, financing transactions have been undertaken.

Entities with significant influence over the Company

Samvardhana Motherson Global Holdings Limited, Cyprus, the direct parent company of Samvardhana Motherson Automotive Systems Group B.V (SMRP BV) (earlier known as Samvardhana Motherson B.V.) holds 69% of the voting shares of the Company.

Samvardhana Motherson Polymers Limited, India holds 31% of the voting shares of SMRP BV.

Samvardhana Motherson Global Holdings Limited and Samvardhana Motherson Polymers Limited itself is indirectly held by both MSSL, India, which prepares financial statements available for public use and by SMIL India. MSSL and SMIL are referred to as the substantial shareholders of the Group.

SMIL is owned by Mr. V.C. Sehgal and family. SMIL holds an equity interest (36.12%) in MSSL.
As a result, MSSL and SMIL and its direct and indirect held subsidiaries, except for the companies forming the subgroup of Samvardhana Motherson Automotive Systems Group B.V are considered as related parties.

Key Management Personnel (KMP)
Key management includes directors (executive and non-executive), members of the Supervisory Board. No compensation or any other benefits are paid or payable to any of the key management personnel.

None of the KMP receives their remuneration from the Company as they are either the shareholders of substantial shareholders of the Company or these have operational role in other group companies and draw their remuneration from those companies and for which no recharge is made as their services to SMRP BV is considered incidental to their wider role.

B.6.5.5.1 Details of related party transactions

	Year ended 31 March 2015				
	Substantial shareholders/ Holding Company	Fellow Subsidiaries	Subsidiaries	Entities in which KMP hold significant influence	Total
Interest income	-		18,231,211	-	18,231,211
Receipt of services	141,047		3,344,668	-	3,485,715
Legal and professional expenses	-		1,030,689	-	1,030,689
Interest expense	248,115	68,830	18,044	-	334,989
General administration expenses	-		-	23,067	23,067
Miscellaneous expenses	16,552		-	-	16,552
Loans advanced	-		566,240,499	-	566,240,499
Loans received back	-		304,055,670	-	304,055,670
Loans obtained	-	14,439,461	4,700,000	-	19,139,461
Loans repaid	23,877,746	17,253,306	1,200,000	-	42,331,052

	15-months period ended 31 March 2014				
	Substantial shareholders/ Holding Company	Fellow Subsidiaries	Subsidiaries	Entities in which KMP hold significant influence	Total
Interest income	-	-	1,271,257	-	1,271,257
Receipt of services	318,900	-	1,291,838	-	1,610,738
Interest expense	338,995	206,591	-	-	545,586
General administration expenses	-	-	-	25,025	25,025
Loans advanced	-	-	58,311,052	-	58,311,052
Loans received back	-	-	22,013,108	-	22,013,108
Loans obtained	23,987,081	5,277,756	-	-	29,264,837
Loans repaid	-	7,395,356	-	-	7,395,356

B.6.5.5.2 Details of related party balances

	As at 31 March 2015				
	Substantial shareholders/ Holding Company	Fellow Subsidiaries	Subsidiaries	Entities in which KMP hold significant influence	Total
Trade receivables	-	-	1,492,852	-	1,492,852
Interest receivable	-	-	9,465,708	-	9,465,708
Trade payables	-	30,493	2,660,562	-	2,691,055
Interest payable	-	-	7,778	-	7,778
Loan payable	-	-	3,500,000	-	3,500,000
Loans receivable	-	-	306,284,443	-	306,284,443

	As at 31 March 2014				
	Substantial shareholders/ Holding Company	Fellow Subsidiaries	Subsidiaries	Entities in which KMP hold significant influence	Total
Trade receivables	-	-	1,225,006	-	1,225,006
Interest receivable	-	-	650,148	-	650,148
Trade payables	-	192,581	1,684,089	-	1,876,670
Interest payable	336,577	151,864	-	-	488,441
Loan payable	23,602,033	2,766,885	-	-	26,368,918
Loans receivable	-	-	39,808,101	-	39,808,101

B.6.6 Accounting estimates and evaluations

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

- Fair value of derivatives and other financial instruments:

The fair value of financial instruments that are not traded in an active market (for example a put/call option). The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on conditions existing at the end of each reporting period. Details on the financial instruments can be found in note B.6.3.3.

- Impairment of financial fixed assets:

The company uses its judgement to perform the impairment testing on the bases of estimated future cash flows, discounted at the effective interest rate at the reporting date. Details on the impairment testing can be found in note B.6.3.2.
The actual results may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised and in future periods for which the revision has consequences.

B.6.7 Subsequent Events

There is no significant/ material post balance sheet event.

Signing of the financial statements

Mr. J.M. Buit
(Managing Director)
Amsterdam, June 01, 2015

Mr. A. Heuser
(Managing Director)
Amsterdam, June 01, 2015

Mr. L.V. Sehgal
(Managing Director)
Amsterdam, June 01, 2015