ANNUAL REPORT

FISCAL YEAR ENDED
March 31, 2016
(April 1, 2015 to March 31, 2016)

Samvardhana Motherson Automotive Systems Group BV






Contents

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, 2016.

A.1. BUSINESS BACKGROUND:

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 and exterior modules (including door panels, instrument panels and bumpers) to automotive original equipment manufacturers ("OEMs") primarily for use in the production of light vehicles. We are also a member of the Samvardhana Motherson Group ("SMG"), one of the largest India-based global Tier 1 automotive supplier.

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 Hoogoorddreef 15, 1101 BA Amsterdam, The Netherlands

SMRP BV business consists of Samvardhana Motherson Reflectec Group referred to as SMR Group and Samvardhana Motherson Peguform Group including Samvardhana Motherson Innovative Autosystems (SMIA) together referred to as SMP Group

SMR Group represents the acquired business of Visiocorp Plc (in administration) which was acquired in March 2009. SMP Group represents the acquired business from Peguform Group acquired in Nov 2011. SMP Group also includes acquired business of Scherer & Trier (acquired from the administrator) in February 2015 (renamed as SMIA).

SMR Group produces a wide range of rear view vision systems primarily for light vehicles. SMR is a leading global supplier of exterior mirrors having its headquarters in Stuttgart, Germany. SMR operated 20 manufacturing facilities and 2 module centres with presence in 14 countries.

SMP Group 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. SMP Group including SMIA operated 27 manufacturing facilities and 9 module centres in seven countries.

A.2. MANAGEMENT TEAM & EMPLOYEES

SMRP BV Group benefits from a strong professional management team, with average automotive industry experience among senior managers of over 25 years. 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. 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. As on March 31, 2016, SMRP BV Group had a total of 22,373 employees comprising of 9,309 employees at SMR group and 13,064 employees at SMP Group.

A.3. 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.

A.4. FINANCIAL RESULTS :

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, 2015 and ending on March 31, 2016.

The summarised financial results for the year ended March 31, 2016 and for the previous period ended March 31, 2015 are as follows:

Income Statement	**Year ended Mar 31, 2016**			**Year ended Mar 31, 2015**		
€ millions	**SMRPBV**	**SMP**	**SMR**	**SMRPBV**	**SMP**	**SMR**
Revenue	4,012.7	2,617.6	1,395.9	3,484.1	2,246.1	1,238.3
EBITDA	**291.8**	**146.4**	**145.4**	**259.5**	**138.4**	**121.1**
% to Revenue	**7.3%**	**5.6%**	**10.4%**	**7.4%**	**6.2%**	**9.8%**
Bargain gain on acquisition[1]	-	-	-	13.3	13.3	-
Net gain/(loss) recognised on final settlement of Insurance Claim[2]	0.6	0.6	-	5.3	5.3	-
Startup cost for greenfield[3]	(22.3)	(22.3)		(4.3)	(4.3)	
Adjusted EBITDA	**313.5**	**168.1**	**145.4**	**245.2**	**124.1**	**121.1**
% to Revenue	**7.8%**	**6.4%**	**10.4%**	**7.0%**	**5.5%**	**9.8%**

1. Bargain gain on acquisition: For the year ended March 31, 2015, Other Operating Income of SMP includes negative goodwill € 13.3 million arising out of acquisition of Scherer & Trier (In administration)
2. Net gain/(loss) recognised on final settlement of insurance claim resulting from business interruption at SMP's paint facility in Polinya, Spain
3. Start-up cost incurred for new plants & facilities under construction

Consolidated Revenue for the year ended March 31, 2016 was € 4,012.7 Mio against revenue of € 3,484.1 Mio for the year ended March 31, 2015. This represents growth of approximately 15% over previous year. Consolidated EBITDA was also higher at € 291.8 Mio for the year ended March 31, 2016 as compared to € 259.5 Mio for the year ended March 31, 2015. This represents growth of approximately 12% over previous year.

However, excluding the impact of negative goodwill € 13.3 million arising out of acquisition of Scherer & Trier during previous fiscal year ended March 31, 2015, net gain on settlement of insurance claim and start-up cost incurred for new plants & facilities under construction (which have been charged to income statement) adjusted EBITDA for the year ended March 31, 2016 was at € 313.5 million representing 7.8% of revenues as compared to adjusted EBITDA of € 245.2 million representing 7.0% of revenues for the year ended March 31, 2015. This represents growth of approximately 28% over previous year.

Statement of Financial Position	**As at March 31, 2016**	**As at March 31, 2015**
Total Assets	1,984.4	1,797.7
Debt	694.5	585.4
Cash	192.5	184.0
Net Debt	502.0	401.4

Statement of Cash flow	**As at March 31, 2016**	**As at March 31, 2015**
Cash flow from operating activities	171.2	313.8
Cash flow from investing activities	(228.1)	(242.2)
Cash flow from financing activities	70.1	24.2
Net increase in cash and cash equivalents	**13.2**	**95.8**
Cash and cash equivalents at the beginning of the period	184.1	85.7
Variation in cash and cash equivalents from translation in foreign currencies	(4.8)	2.6
Cash and cash equivalents at the end of the period	**192.5**	**184.1**

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

A.5. 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.

Capital expenditure incurred for the fiscal years ended March 31, 2015 and 2016 were €217.7 million and €231.4 million, respectively. Significant capital expenditures is incurred in expanding our footprint and enhancing our existing capacities. In the fiscal year ended March 31, 2016, SMR also completed construction of a new plant in the United States to meet increasing customer orders. After our acquisition of SMP, we made significant capital expenditures related to Greenfield projects in Germany, Mexico and China, the replacement of paint facilities in Germany and Spain and capacity expansions in Germany. In the fiscal year ended March 31, 2016, SMP started construction of two greenfield plants at Tuscaloosa in USA and Kecskemet in Hungary.

A.6. STRATEGY:

The Group has adopted the vision of SMG, which is to be a globally preferred solutions provider in the automotive industry. We aim to achieve this by pursuing our strategic actions that we have established based on the philosophy of SMG, which includes focusing on consistent outstanding performance, strengthening customer relationships built on trust, pursuing greater client engagement, increasing the content per vehicle that we supply and developing long-term sustainable value creation.

A.7. 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.

A.8. DEVELOPMENT & OUTLOOK:

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.

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 is 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 is 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.

Connectivity and autonomous driving

Intelligent connectivity and digitization, both inside and outside the vehicle, will play an ever more important role in the future. Connectivity is the name given to communication between one vehicle and another, and between a vehicle and the infrastructure, for instance with traffic lights or traffic control systems. Automated driving refers to the capability of a vehicle to drive itself at various levels of independence from the vehicle occupants to a destination in real world traffic, using its onboard sensors, and software intelligence, combined with navigation systems so that it can recognize its surroundings.

SMRP BV Group believe that automotive suppliers with strong OEM relationships could play a significant role in these new trends and the associated technologies. It could present new opportunities business models and generates further growth potential within the automotive industry.

A.9. RISK MANAGEMENT:

During 2016, the Group, its business and products were exposed to various risks. In its capacity as an internationally active supplier for the automobile industry the Group 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.

Economic Risks

The Group may get affected by economic trends and adverse developments in the global economy and in countries where we operate. Our business is affected by general economic conditions, in particular levels of industrial and manufacturing output in the industries and markets that we serve, and is susceptible to downturns in economies around the world, including major economic centres such as the European Union and the United States, as well as emerging markets such as China, Mexico and Brazil. General economic conditions and macroeconomic trends can affect overall demand for our products and the markets in which we operate.

Market Risks

Cyclicality and reduced demand in the automotive industry in which the Group operate could affect our business. Substantially all of our business is directly related to vehicle sales and production by our customers, who consist primarily of large automotive OEMs, and demand for our products is largely dependent on the industrial output of the automotive industry. The Group's operations and performance are directly related to levels of global vehicle production, particularly the light vehicle market, and are therefore affected by factors that generally affect the automotive industry. The automotive industry is sensitive to factors such as consumer demand, consumer confidence, disposable income levels, employment levels, fuel prices and general economic conditions. Any significant reduction in vehicle sales and production by our customers may have a material adverse effect on our business, financial condition and results of operations.

Competition Risks

SMRP BV Group face global competition in its business. Competition is based on many factors, including product quality and reliability, breadth of product range, product design and innovation, manufacturing capabilities, distribution channels, scope and quality and reliability of service, price, customer loyalty and brand recognition. The Group also encounter competition from similar and alternative products, many of which are produced and marketed by major multinational or national companies, which may have an adverse effect on our business, financial condition and results of operations.

Procurement Risks

The Group depends on its suppliers for the supply of raw materials and components that are critical to our manufacturing processes. SMRP BV Group sources its raw materials from a diversified group of global, national and local suppliers, but still subject to supplier concentration with respect to certain of its key inputs. Certain products use components that are only available from a limited number of suppliers. Furthermore, some of Group's suppliers are directed by our customers, and it is likely that we will continue to source components from such suppliers. In some cases we purchase parts for specific feature content sub-assemblies or modules from OEM-directed sources.

Prices of certain raw materials and pre-constructed components we rely on, such as resins (ABS and polypropylene) and metal parts (mainly aluminium and zinc), are linked to commodity markets and thus subject to fluctuation. Certain of our customer contracts, which typically factor in supply cost at the time at which the contract is entered into and subsequently when it is extended or renewed, allow for the pass-through of materials cost increases. For instance, certain of our supplier sources are directed by our OEM customers. In cases where a supplier is directed by the OEM, our contracts typically include provisions allowing for the pass-through of raw materials price increases to the customer.

Personnel Risks

The Group depends on its senior management, executive officers, key employees and skilled personnel, and the Group is unable to recruit and retain skilled management personnel, its business and ability to operate or grow the business may be adversely affected. Its success depends to a large extent upon the continued services of its senior management, executive officers, key employees and other skilled personnel.

Forex Risk

The majority of our costs and incomes are denominated in local currencies, providing a "natural hedge" against currency exchange fluctuations, and some of our contracts with OEMs allow for price adjustments in the event of unfavorable currency exchange rate developments. Nevertheless, our global footprint exposes us to certain currency exchange risks, arising primarily from the import of raw materials for certain of our operations and our non-euro-denominated borrowings. SMRP BV group do selective hedging to hedge these currency risks.

Financial risks

The Group is exposed to various financial risks due to its activities as an international production company. These financial risks include the credit risk which 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.

Due to ongoing monitoring of the compliance with agreed terms of payment for all customers, risks of bad debt losses are nearly eliminated. Monitoring of credit ratings of suppliers/non-OEM customer take place from time to time.

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.

An overview of the main financial risks and the risk control (framework) can be found in paragraph A.6.6.4 of the Notes to the consolidated financial statements.

A.10. FINANCIAL OUTLOOK & 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.

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.

As at March 31, 2016 SMRP BV Group had available liquidity of € 534.5 million under committed revolver credit facilities including cash & cash equivalent. 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, 2016 SMRP BV group had net leverage ratio of 1.8x which clearly depicts that Group has significant headroom available for generating additional liquidity through borrowings for any growth opportunities and business contingencies.

A.11. CREDIT RATING:

Directors are pleased to inform that the long term credit rating of BB+ as assigned to the company last year by Standard and Poors was affirmed again during fiscal year ended 31st March 2016 with stable outlook. Further an issue rating of "BB+" was assigned to Euro 100 million Senior Secured Notes issued in June 2015.

A.12. SIGNIFICANT FINANCING TRANSACTIONS:

During the year ended March 31, 2016, the Company issued Euro 100,000,000 3.70% Senior Secured Notes due 2025 (the "Notes"). The Notes bear interest at a rate of 3.70% payable annually on June 18 of each year and will mature on June 18, 2025. The Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange

The company also entered into a new Revolving Credit Facility Agreement with a consortium of banks around the date of issue of the Notes in order to replace the earlier Revolving Facility Agreement entered into during financial year ended March 31, 2015. The Revolving Credit Facility Agreement establishes revolving facility that provides for borrowing of an aggregate principal amount of up to €350.0 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. Tranche A of the Revolving Facility Agreement amounting to € 250.0 million matures in 2020 and Tranche B of the Revolving Facility Agreement amounting to € 100.0 million matures in 2018.

The Revolving Credit Facility Agreement is guaranteed by the Guarantors, and will benefit from the same collaterals as the Notes.

A.13. 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.

A.14. 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 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 Dutch 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 Company will take these requirements into consideration for future decision with respect to the composition of the management & supervisory board at appropriate time.

A.15. 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: May 27, 2016

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 and exterior modules (including door panels, instrument panels and bumpers) to automotive original equipment manufacturers ("OEMs") primarily for use in the production of light vehicles. We are also a member of the Samvardhana Motherson Group ("SMG"), one of the largest India-based global Tier 1 automotive supplier. We have long-term relationships with 14 of the top 15 global OEMs by 2014 production volume and our OEM customers collectively represented over 80% of global automotive production in 2014. We currently supply our products to over 600 vehicle programs and approximately one in every four passenger cars produced globally in 2014 contains our products. In addition, we currently hold leading market positions in our key product segments and geographies, particularly in the premium segment (which includes brands such as Audi, BMW, Jaguar Land Rover, Porsche, Mercedes-Benz and others), on which we are especially focused. We are active across the phases of our products' lifecycles, from product conception, design, styling, prototyping and validation to the manufacture, assembly and subsequent delivery of fully-engineered assembled products. SMRP BV Group has presence in each major global automotive production region, with 47 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:

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 24% by volume for the year ended March 31, 2016. 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 9,309 people as of March 31, 2016.

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, and is a leading global supplier of door panels, instrument panels and bumpers, with a global market shares of 27%, 10% and 18%, respectively, for the year ended March 31, 2016. 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.

SMP division includes business of SMIA which was acquired last year, SMIA with its headquarters in Michelau (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 is one of the leading specialist suppliers of extruded and injection-moulded exterior and interior components. The key manufacturing technologies used at SMIA are injection-moulding, extrusion, stretch-bending, painting and assembly. Further, SMIA has a vast experience in Toolmaking activities.

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.

SMP including SMIA operated 27 manufacturing facilities and 9 module centres in seven countries and employed 13,064 people as of March 31, 2016.



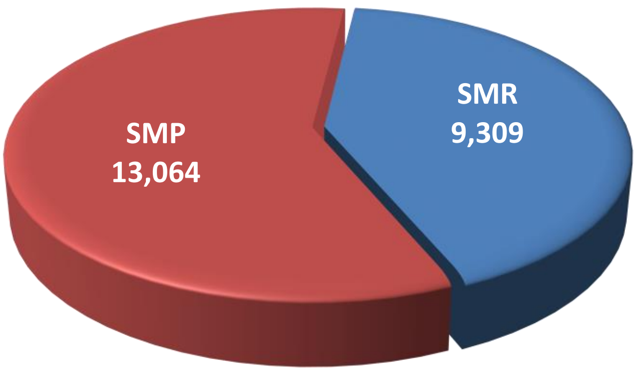



MANAGEMENT TEAM & EMPLOYEES

SMRP BV Group benefits from a strong professional management team, with average automotive industry experience among senior managers of over 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.

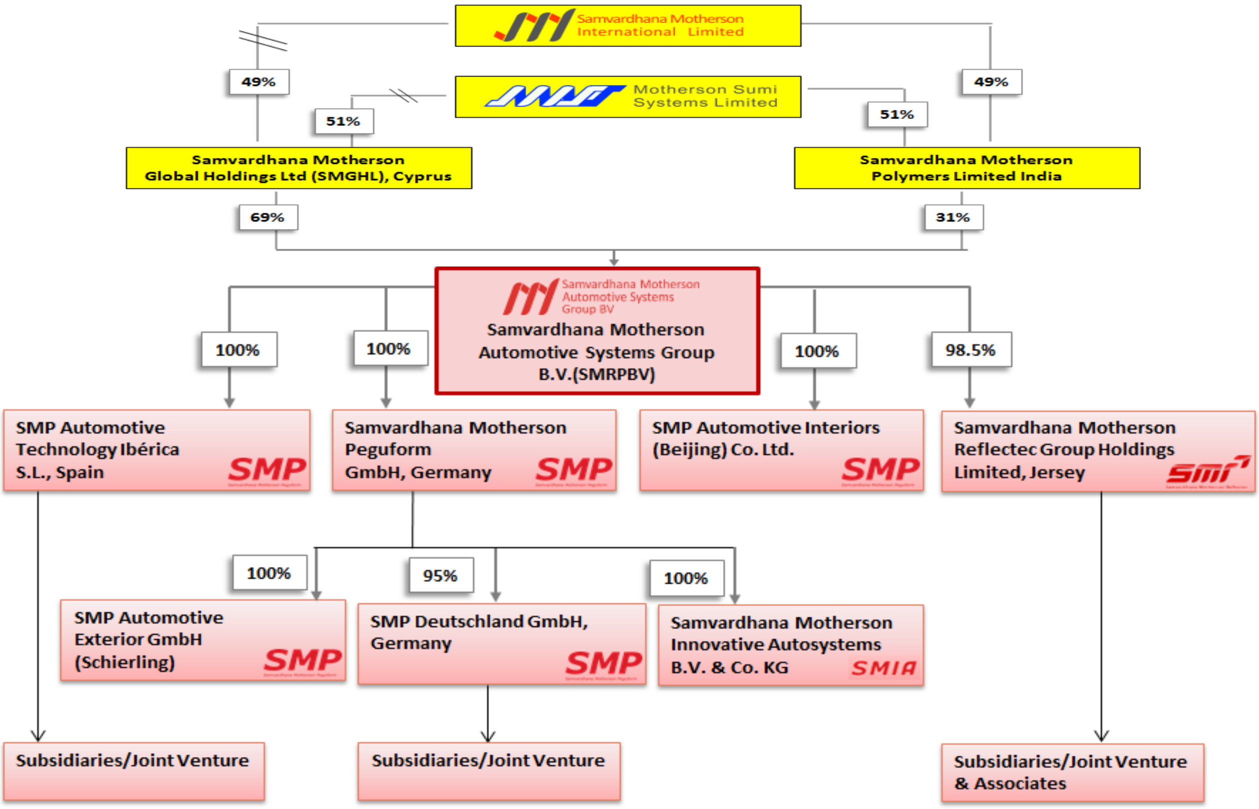
From time to time, the company employs staff on short-term basis to meet the demand for the products. These employees are typically employed under fixed-term contracts, generally of up to twelve months in duration which allows operational flexibility to meet customer demand.

As on March 31, 2016, SMRP BV Group had a total of 22,373 employees. 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.

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
4.	Randolph de Cuba	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 :
Hoogoorddreef 15, 1101 BA Amsterdam
The Netherlands

GEOGRAPHICAL FOOTPRINT

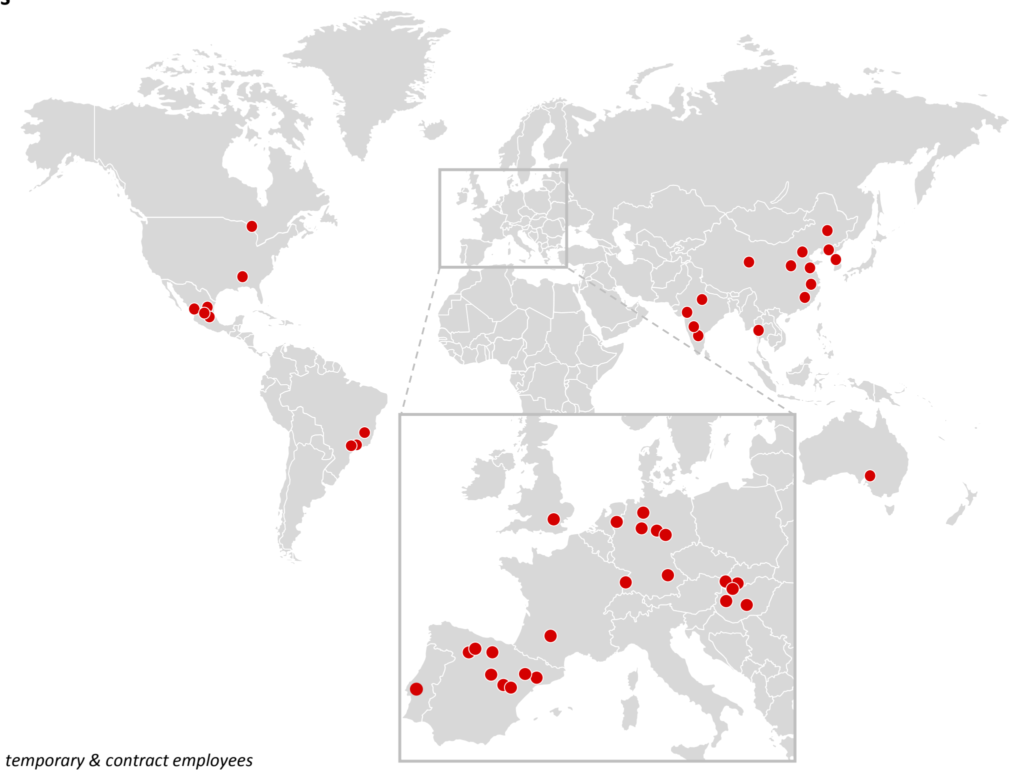
SMRP BV Group operate 47 manufacturing facilities across 16 countries and 11 module centres. Out of 47 manufacturing plants, SMR operates 20 manufacturing plants, SMP operates 27 manufacturing plants (including 2 manufacturing plants of SMIA). These includes two new Greenfield plants in Kecskemet (Hungary) and Tuscaloosa (USA) to cater to new customer orders. Construction has been started for both the projects and is running as per the project schedule.

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.

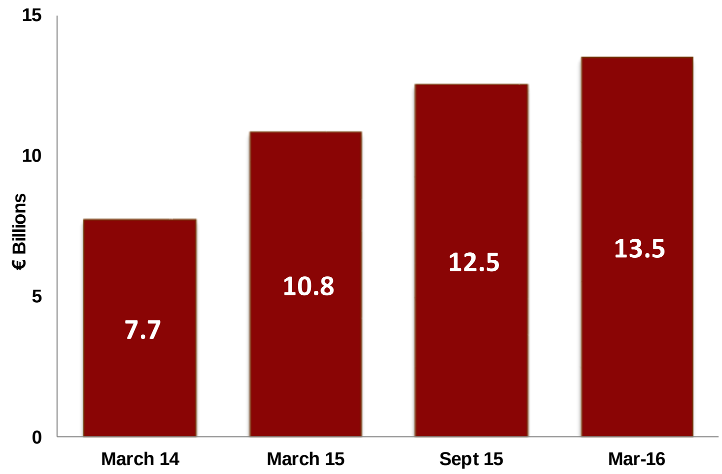
Following chart provides an overview of SMRP BV Group's global footprint :

- ✓ **47 manufacturing plants**
- ✓ **16 countries**
- ✓ **11 module centers**
- ✓ *** Workforce of 22,300+**



** Include full time, part time, temporary & contract employees*

ORDER BOOK



We benefit from strong mid-term revenue visibility, with an estimated Order Book of €13.5 billion as of March 31, 2016, which represents the sales that we expect to record over the life time of the orders under contracts for vehicle programs that we have been awarded by OEMs but which are not yet in production and is comprised of both incremental and repeat business.

Our Order Book reflects our focus on growth outside of Europe and is diversified across geographies and customers. We believe the potential revenue realization from these contracts positions us well for growth in the mid-term. In addition, our visibility over our revenues is enhanced by our strong track record of winning repeat orders and being awarded contracts for subsequent generations of a particular vehicle model, as well as by the unlikelihood that one of our customers switches suppliers once a project has been nominated to a preferred supplier, given the prohibitive operational, technical and logistical costs of switching.

As a result of the foregoing, while the actual revenues which we derive from a project ultimately depend on our OEM customers' production volumes achieved for the respective car models, we believe we have good visibility of mid-term revenues within a relatively small range of sensitivity.

FINANCIAL OVERVIEW FOR THE QUARTER ENDED DECEMBER 31, 2015

Samvardhana Motherson Automotive Systems Group BV's Board has approved its audited financial statements for the year ended March 31, 2016.

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

SUMMARY FINANCIALS

Following are the summary financials for the quarter and fiscal year ended March 31, 2016:

Income Statement	3M ended Mar 31, 2016			3M ended Mar 31, 2015			Year ended Mar 31, 2016			Year ended Mar 31, 2015		
€ millions	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR
Revenue	1,027.1	660.0	366.1	990.1	636.5	354.0	4,012.7	2,617.6	1,395.9	3,484.1	2,246.1	1,238.3
EBITDA	**82.3**	**34.4**	**47.9**	**82.8**	**45.3**	**37.5**	**291.8**	**146.4**	**145.4**	**259.5**	**138.4**	**121.1**
% to Revenue	**8.0%**	**5.2%**	**13.1%**	**8.4%**	**7.1%**	**10.6%**	**7.3%**	**5.6%**	**10.4%**	**7.4%**	**6.2%**	**9.8%**
Bargain gain on acquisition[1]	-	-	-	13.3	13.3	-	-	-	-	13.3	13.3	-
Net gain/(loss) recognised on final settlement of Insurance Claim[2]	-	-	-	0.2	0.2	-	0.6	0.6	-	5.3	5.3	-
Startup cost for greenfield[3]	(9.5)	(9.5)		(2.0)	(2.0)		(22.3)	(22.3)		(4.3)	(4.3)	
Adjusted EBITDA	**91.8**	**43.9**	**47.9**	**71.3**	**33.8**	**37.5**	**313.5**	**168.1**	**145.4**	**245.2**	**124.1**	**121.1**
% to Revenue	**8.9%**	**6.7%**	**13.1%**	**7.2%**	**5.3%**	**10.6%**	**7.8%**	**6.4%**	**10.4%**	**7.0%**	**5.5%**	**9.8%**

4. Bargain gain on acquisition: For the year ended March 31, 2015, Other Operating Income of SMP includes negative goodwill € 13.3 million arising out of acquisition of Scherer & Trier (In administration)
5. Net gain/(loss) recognised on final settlement of insurance claim resulting from business interruption at SMP's paint facility in Polinya, Spain
6. Start-up cost incurred for new plants & facilities under construction

Statement of Financial Position	As at March 31, 2016	As at March 31, 2015
Total Assets	1,984.4	1,797.7
Debt	694.5	585.3
Cash	192.5	184.1
Net Debt	502.0	401.2

Key Ratios#	Allowed	Status As at March 31, 2016	Status As at March 31, 2015
Gross Leverage Ratio: Indenture	3.50x	2.4x	2.5x
Net Leverage Ratio : RCF	3.25x	1.8x	1.7x

Computed as per definitions given in Indeture & RCF agreements

COMPONENTS OF REVENUE & EXPENSES

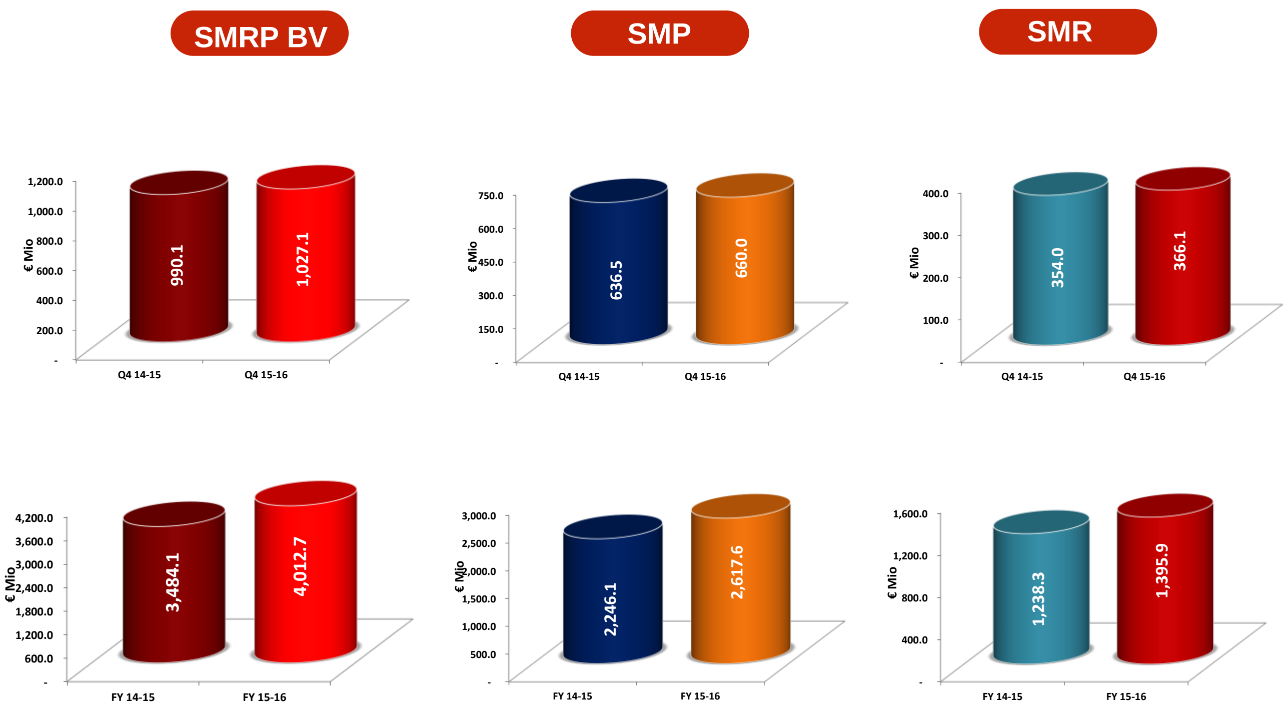
REVENUE

SMRP BV Group's revenues for quarter ended March 31, 2016 were € 1,027.1 million which is higher than the revenues for the corresponding previous quarter ended March 31, 2015 at € 990.1 million. For the fiscal year ended March 31, 2016 Group's revenue increased to € 4,012.7 million as against € 3,484.1 million for the corresponding fiscal year ended March 31, 2015. This represents growth of approximately 4% in quarter and 15% for fiscal year ended March 31, 2016 over quarter and fiscal year ended March 31, 2015. This increase in revenue is due to consistent increase in revenues, both for SMP and SMR.

SMP's revenues for quarter ended March 31, 2016 were € 660.0 million which is higher than the revenues for the corresponding previous quarter ended March 31, 2015 at € 636.5 million. For the fiscal year ended March 31, 2016 Group's revenue increased to € 2,617.6 million as against € 2,246.1 million for the corresponding fiscal year ended March 31, 2015. This represents growth of approximately 4% in quarter and 17% for fiscal year ended March 31, 2016 over quarter and fiscal year ended March 31, 2015. The increase in SMP revenues is primarily due primarily due to increase of revenues due to ramp up of new plant at Schierling, Germany and SMIA contributing full year sales.

SMR's revenues for quarter ended March 31, 2016 were € 366.1 million which is higher than the revenues for the corresponding previous quarter ended March 31, 2015 at € 354.0 million. For the fiscal year ended March 31, 2016 Group's revenue increased to € 1,395.9 million as against € 1,238.3 million for the corresponding fiscal year ended March 31, 2015. This represents growth of approximately 3% in quarter and 13% for fiscal year ended March 31, 2016 over quarter and fiscal year ended March 31, 2015. The increase is primarily due to strong market demand in USA, Mexico & Spain

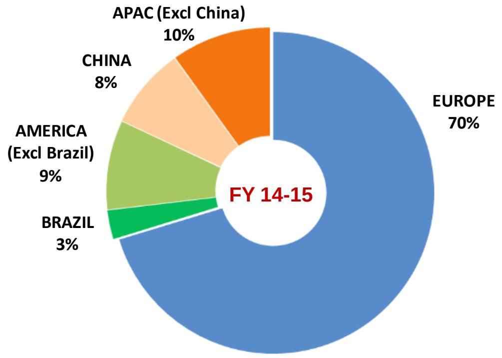
Split of revenue between SMP and SMR was as under:

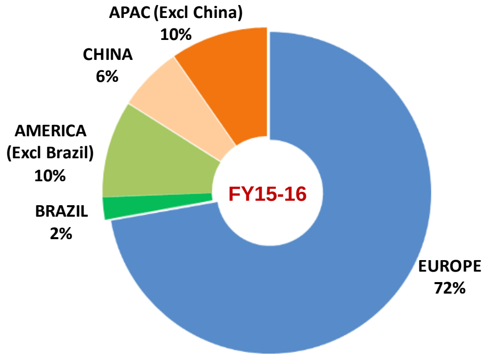


SMP, which is the interior & exterior module business, contributed 65% of the revenues and SMR, which is interior & exterior mirror business contributed 35% of the revenue for the fiscal year ended March 31, 2016 as compared to 64% of the revenues from SMP business and 36% from SMR business for the corresponding fiscal year ended March 31, 2015.

Geographical Spread of Revenues

During fiscal year ended March 31, 2016, 72% of the revenues were contributed by European region, followed by APAC region (excluding China) 10%, China 6%, Americas (excluding Brazil) 10% and Brazil 2%. European region is largely serviced to 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, Hungary and China. The following chart shows the revenue breakdown by geography for fiscal year ended March 31, 2016 and March 31, 2015

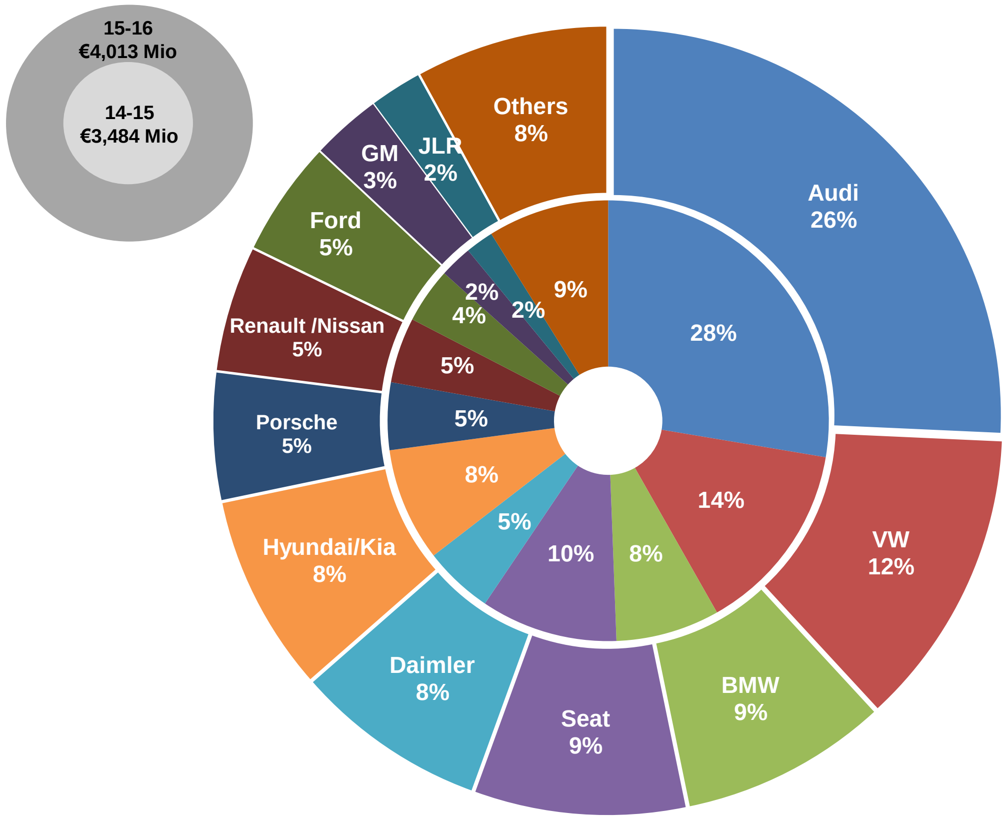




Diversified Customer Portfolio

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.

The following chart shows the revenue breakdown by customers for the fiscal year ended March 31, 2016 and March 31, 2015



During fiscal year ended March 31, 2016, there is significant growth in Daimler for 79%, Ford for 34%, BMW for 29% and Porsche for 22% as compared to fiscal year ended March 31, 2015, leading to more diversified and balanced customer portfolio.

EBITDA

The following table depicts the EBITDA and adjusted EBITDA for the quarter and fiscal year ended March 31, 2016 and March 31, 2015. Adjusted EBITDA represents EBITDA as adjusted for certain non-recurring items to reflect the operational performance of SMRP BV Group.

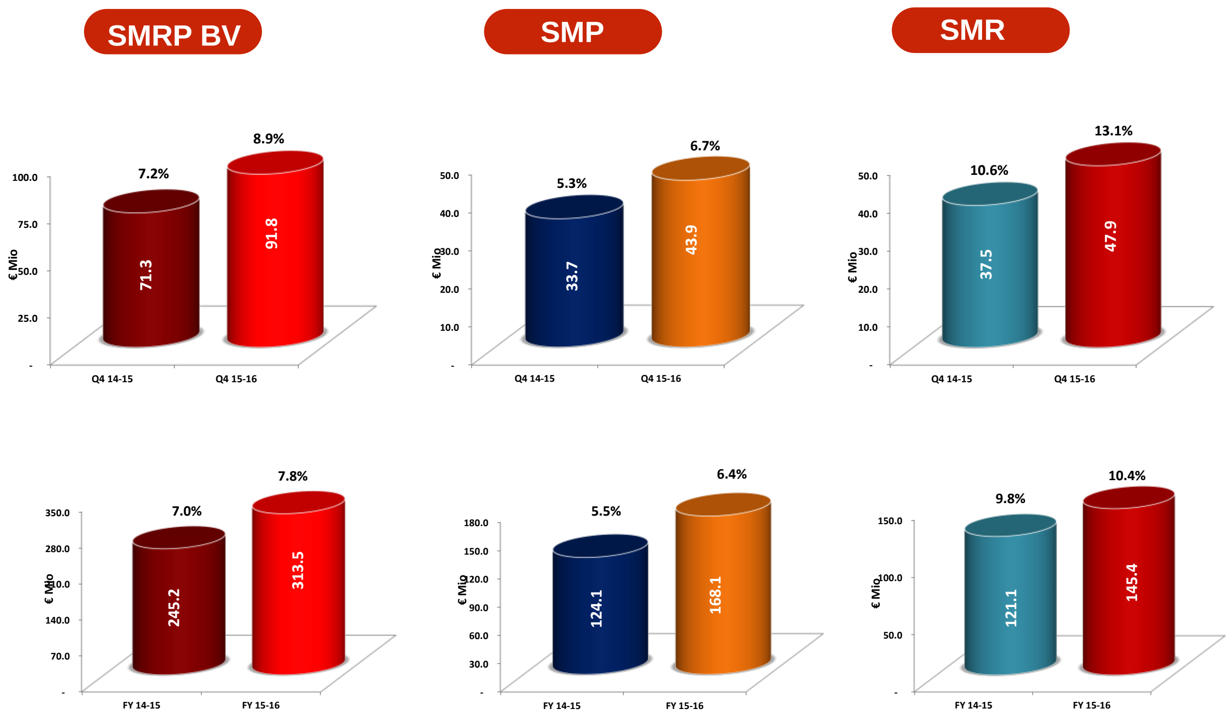
Income Statement	3M ended Mar 31, 2016			3M ended Mar 31, 2015			Year ended Mar 31, 2016			Year ended Mar 31, 2015		
€ millions	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR	SMRPBV	SMP	SMR
Revenue	1,027.1	660.0	366.1	990.1	636.5	354.0	4,012.7	2,617.6	1,395.9	3,484.1	2,246.1	1,238.3
EBITDA	**82.3**	**34.4**	**47.9**	**82.8**	**45.3**	**37.5**	**291.8**	**146.4**	**145.4**	**259.5**	**138.4**	**121.1**
% to Revenue	**8.0%**	**5.2%**	**13.1%**	**8.4%**	**7.1%**	**10.6%**	**7.3%**	**5.6%**	**10.4%**	**7.4%**	**6.2%**	**9.8%**
Bargain gain on acquisition[1]	-	-	-	13.3	13.3	-	-	-	-	13.3	13.3	-
Net gain/(loss) recognised on final settlement of Insurance Claim[2]	-	-	-	0.2	0.2	-	0.6	0.6	-	5.3	5.3	-
Startup cost for greenfield[3]	(9.5)	(9.5)		(2.0)	(2.0)		(22.3)	(22.3)		(4.3)	(4.3)	
Adjusted EBITDA	**91.8**	**43.9**	**47.9**	**71.3**	**33.8**	**37.5**	**313.5**	**168.1**	**145.4**	**245.2**	**124.1**	**121.1**
% to Revenue	**8.9%**	**6.7%**	**13.1%**	**7.2%**	**5.3%**	**10.6%**	**7.8%**	**6.4%**	**10.4%**	**7.0%**	**5.5%**	**9.8%**

1. Negative goodwill € NIL for fiscal year ended March 31, 2016 (€ 13.3 million for fiscal year ended March 31, 2015) arising out of acquisition of Scherer & Trier (In administration) in the fiscal year ended March 31, 2015
2. Net gain/(loss) of € 0.6 million for fiscal year ended March 31, 2016 (€ 5.3 million for fiscal year ended March 31, 2015) recognised on final settlement of insurance claim resulting from business interruption at SMP's paint facility in Polinya, Spain
3. Start-up cost incurred for new plants & facilities under construction € 22.3 million for fiscal year ended March 31, 2016 (€ 4.3 million for fiscal year ended March 31, 2015). There are significant start-up cost including project management cost, trial of new products, machine set-up cost etc. which are expensed to income statement as conservative accounting practice. This will get normalised once the matching revenues from the new plants will start.

Adjusted EBITDA has been consistently improving with increase of 29% for the quarter ended March 31, 2016 at € 91.8 million against € 71.3 million for the quarter ended March 31, 2015. EBITDA as expressed in % to revenue has also shown increase from 7.2% to 8.9% in quarter ended March 31, 2016 over corresponding previous quarter ended March 31, 2015.

For the fiscal year ended March 31, 2016 EBITDA increased by 28% to € 313.5 million over € 245.2 million for the corresponding period ended March 31, 2015. When expressed as % to revenue as well, EBITDA increased to 7.0% from 7.8% over the corresponding previous period.

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



COST OF MATERIALS

Cost of materials includes purchases of raw materials, purchases of goods and tools for resale, discounts for prompt payment, purchase returns and similar transactions, volume discounts, changes to inventories, consumption of other supplies and purchase of pre-constructed components. These are primarily variable in nature based on the product mix sold during the period. Cost of material was at € 633.7 million which accounted for 61.7% of revenues for the quarter ended March 31, 2016. This is lower as compared to €656.5 million which accounted for 66.3% of revenues for the corresponding previous quarter ended March 31, 2015. For the fiscal year ended March 31, 2016, cost of materials stood at € 2,572.5 million representing 64.1% of the revenues against € 2,324.4 million representing 66.7% of the revenues for the fiscal year ended March 31, 2015. These reductions in cost of materials as a percentage of revenue is primarily due to scrap reduction, improved manufacturing efficiencies, higher margins on new orders and change in product mix

PERSONNEL COSTS

Personnel expenses include wages, salaries, paid labour rendered by third parties, employer's social security contributions and other welfare expenses. Personnel expenses are primarily driven by the size of our operations, our geographical reach and customer requirements. Personnel expenses were at € 208.6 million which accounted for 20.3% of revenues for the quarter ended March 31, 2016. This is higher as compared to €183.5 million which accounted for 18.5% of revenues for the corresponding previous quarter ended March 31, 2015. For the fiscal year ended March 31, 2016, personnel expenses stood at € 785.4 million representing 19.6% of the revenues against € 637.2 million representing 18.3% of the revenues for the fiscal year ended March 31, 2015. This increase was primarily due to increased capacity and production level, ramp up of production from new facilities and headcount at new Greenfield plants during construction phase.

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 quarter ended March 31, 2016 were at € 107.3 million as compared to € 97.9 million for the corresponding previous quarter ended March b31, 2015. Other operating expenses includes a business interruption expense of € NIL for the quarter ended March 31, 2016 and € 4.0 million for the quarter ended March 31, 2015 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 € NIL for the quarter ended March 31, 2016 and € 4.2 million for the quarter ended March 31, 2015).

For the fiscal year ended March 31, 2016 other operating expenses were at € 406.2 million against € 341.1 million for the corresponding previous period. Business interruption costs of €8.6 million and € 15.2 million were included in other operating expenses for the fiscal year ended March 31, 2016 and March 31, 2015 respectively. Increase in operating expenses is attributed primarily due to increase in variable cost of operations due to increased capacity & production levels and start-up costs for the new plants expensed to income statement as conservative accounting practice.

OTHER OPERATING INCOME

Other operating income primarily consists of income from development work & other recoveries from customers, income from de-recognition of liabilities, recovery of proceeds from insurance claims, rental income, royalty income and subsidies or grants. Other operating income for the quarter ended March 31, 2016 were at € 9.8 million as compared to € 30.6 million for the quarter ended March 31, 2015. This includes an amount of € Nil for the quarter ended March 31, 2016 and € 4.2 million for the quarter ended March 31, 2015 respectively from settlement of insurance claim for fire at SMP Polinya plant.

For the fiscal year ended March 31, 2016 other operating income were € 43.3 million against € 78.1 million for the fiscal year ended March 31, 2015. Income from settlement of insurance claim of € 9.2 million was recognised during the fiscal year ended March 31, 2016 against € 20.5 million for the fiscal year ended March 31, 2015.

The other operating income for the quarter and year ended March 31, 2015 also include negative goodwill of € 13.3 million for arising out of acquisition of Scherer & Trier (In administration).

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 quarter ended March 31, 2016 were at € 38.2 million and € 23.5 million for the quarter ended March 31, 2015. For the fiscal year ended March 31, 2016 this charge was € 121.9 million against € 87.0 million for the corresponding previous period. This increase is due to capitalisation of new plants which started their commercial production. It also include impairment for € 11.5 million for the quarter ended March 31, 2016 and € 18.6 million for fiscal year ended March 31, 2016 at SMP Brazil to match the carrying value of net fixed assets to future discounted cash flows.

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 quarter ended March 31, 2016 was at € 8.2 million as compared to € 8.4 million for the quarter ended March 31, 2015. Finance costs for the quarter ended March 31, 2016 includes € 0.1 million towards forex loss on reinstatement of long term foreign currency loans & € 0.7 million towards amortisation of bond issuance cost correspondingly finance cost for the corresponding quarter last year includes € 0.5 million towards amortisation of bond issuance cost.

For the fiscal year ended March 31, 2016 net finance costs of € 38.4 million were incurred against € 39.7 million for the fiscal year ended March 31, 2015. However, as mentioned above finance costs for the fiscal year ended March 31, 2016 includes € 5.7 million towards forex loss on reinstatement of long term foreign currency loans & € 2.8 million towards amortisation of bond issuance cost and during corresponding period it includes € 5.3 million for the fiscal year ended March 31, 2015 towards write off of unamortised upfront fee and break-fee on prepayment of various loans, € 0.2 million towards forex loss on reinstatement of long term foreign currency loans & € 1.7 million towards amortisation of bond issuance cost

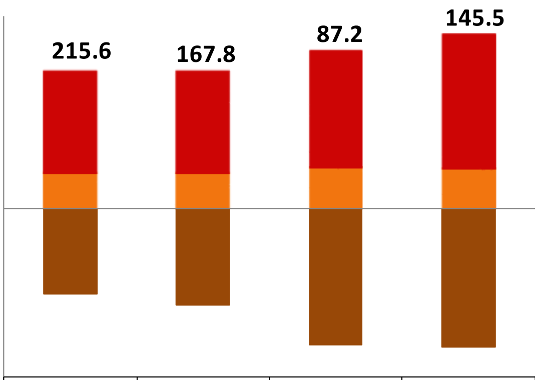
Excluding these exceptional costs net finance cost has reduced both during the quarter and fiscal year ended March 31, 2016 as compared to corresponding period last year.

INCOME TAXES

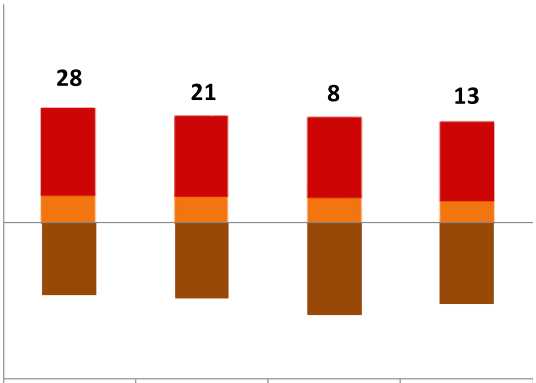
Income tax represents the sum of tax currently payable and deferred tax under the laws of each jurisdiction in which the business is conducted. Income taxes decreased by €1.1 million, or 3.6%, to € 29.1million for the fiscal year ended March 31, 2016 from €30.2 million for the fiscal year ended March 31, 2015. Current income tax expense for the fiscal year ended March 31, 2016 increased by €11.6 million from €38.7 million for the fiscal year ended March 31, 2015 to €50.3 million for the fiscal year ended March 31, 2016. This increase was primarily due to improved profitability across businesses. This was partly offsetted by recognition of additional deferred tax asset on carried forward tax losses due to improved business conditions amounting to €12.7 million during the fiscal year ended March 31, 2016. Our effective tax rate was stable in the fiscal year ended March 31, 2016 as compared to the fiscal year ended March 31, 2015.

NET WORKING CAPITAL

Net Working Capital of the company comprised of Trade Receivables, Inventories and Trade Payables. Net trade working capital as at March 31, 2016 was at € 145.5 million and as at March 31, 2015 was at € 87.2 million. Net trade working capital represents 13 days for March 31, 2016 and 8 days for March 31, 2015. The net trade working capital as at 31st March 2015 was exceptionally lower primarily due to higher payables due to the fact that that there was significant capitalisation for new plants & a significant portion of these were under engineering approval.



	Mar-13	Mar-14	Mar 15	Mar-16
Trade Payables	(355.1)	(399.6)	(566.4)	(574.5)
Trade Receivables	424.5	420.6	484.9	554.9
Inventory	146.2	146.8	168.7	165.1



Mar-13	Mar-14	Mar 15	Mar-16
(46)	(48)	(59)	(52)
55	51	50	50
19	18	17	15

Days on hand are calculated based on 360 days basis

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 current receivables for € 497.4 million and € 458.9 million as at March 31, 2016 and March 31, 2015 respectively. These represent days on hand for 45 days and 47 days respectively.

The Company had non-current receivables for € 57.5 million and € 26.0 million as at March 31, 2016 and March 31, 2015 respectively. These represent days on hand for 5 days and 3 days respectively. The increase as at March 31, 2016 is due to significant amount of receivables arising out of new engineering sales which have longer recovery period as per terms of the contract.

Together current & non-current receivables represents 50 days as at March 31, 2016 which is consistent to 50 days as at March 31, 2015.

Inventories

Inventories represent 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 € 165.1 million and € 168.7 million as at March 31, 2016 and March 31, 2015 respectively. These represent days on hand for 15 days and 17 days respectively. Days on hand reduced 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.

Payables

Payables comprise of trade payables and payables for capital goods. Trade Payables represents obligations to pay for goods or services that have been acquired in the ordinary course of business from the suppliers. Payable towards capital creditors represent current obligation to pay for machinery and other such items in the nature of capital expenditure and also payables for work done by third parties in relation to assets under construction. Payables are carried at their fair value.

The Company had Trade Payables for € 545.9 million and € 527.1 million as at March 31, 2016 and March 31, 2015 respectively. These represent days on hand for 49 days and 54 days respectively.

The company had payables of € 28.6 million and € 39.3 million towards capital creditors as at March 31, 2016 and March 31, 2015 respectively. These represent days on hand for 3 days and 4 days respectively.

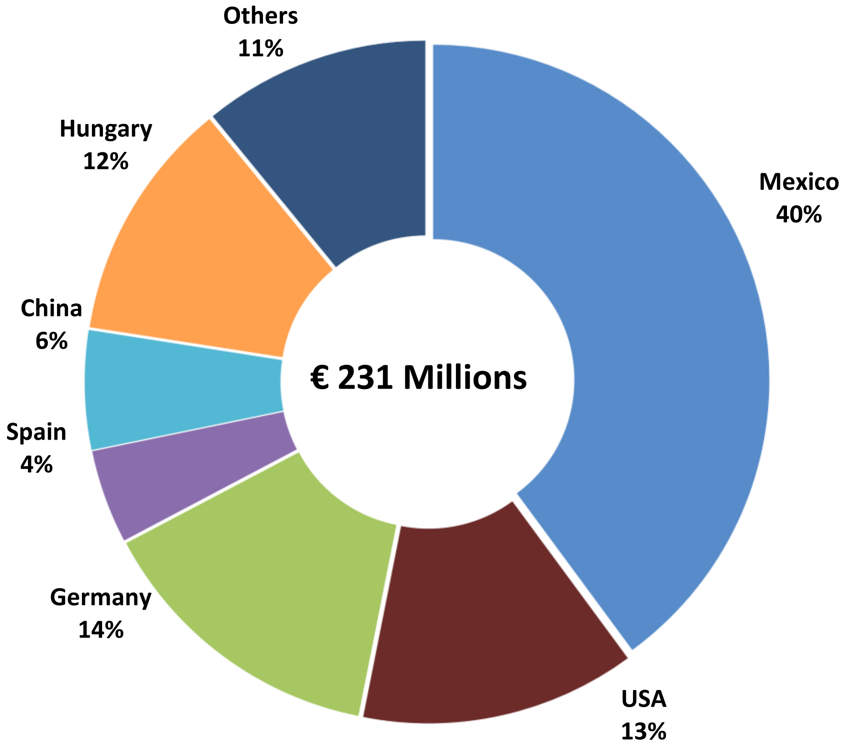
As explained earlier payables were comparatively higher as at 31st March 2015 due to the fact that there was significant payables for new plants & projects and a significant portion of these were under engineering approval. Excluding this impact the payables are at consistent level as compared to previous quarter.

CAPITAL EXPENDITURE

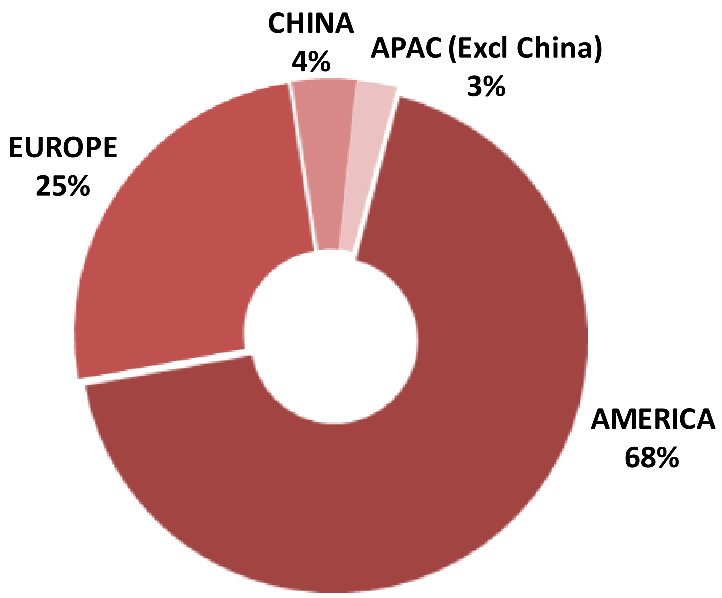
SMRP BV Group's growth strategy includes expanding operations in line with customers' growth and sales order book. The company is one of the few suppliers in its product segment with a global engineering & manufacturing footprint and this strong geographical diversification enables the company to capitalise 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 fiscal year ended March 31, 2016 was € 231.4 million. Break-up of major contributors of capital expenditure is depicted in below chart:



Approximately 67 % of capital expenditure amounting to € 154.6 million for the fiscal year ended March 31, 2016 was incurred on new facilities/expansion. As depicted by below chart, it is evident that SMRPBV is investing in most of the geographies led by Americas region followed by Europe, China and other parts of Asia Pacific region.



CASH FLOW

The following summarises cash flow information for the fiscal year ended March 31, 2016:

Statement of Cash Flows (€ millions)	For the year ended March 31, 2016	For the year ended March 31, 2015
Cash flow from operating activities before changes in working capital and income tax	284.9	266.1
Changes in working capital	(53.5)	86.6
Income tax paid	(60.2)	(38.9)
Cash flow from operating activities	**171.2**	**313.8**
Purchase of property, plant and equipment (including Pre-Payments)	(240.7)	(183.5)
Acquisition of Minority at SMP	-	(28.9)
Acquisition of subsidiaries, net of cash acquired	-	(35.8)
Others	12.6	6.0
Cash flow from investing activities	**(228.1)**	**(242.2)**
Proceeds from issue of bond	100.0	485.5
Net Proceeds/(Repayment) of borrowings/finance leases	5.4	(352.1)
Net repayment of shareholders Loan	-	(68.3)
Interest Paid	(29.1)	(28.9)
Others	(6.2)	(12.0)
Cash flow from financing activities	**70.1**	**24.2**
Net increase in cash and cash equivalents	**13.2**	**95.8**
Cash and cash equivalents at the beginning of the period	184.1	85.7
Variation in cash and cash equivalents from translation in foreign currencies	(4.8)	2.6
Cash and cash equivalents at the end of the period	**192.5**	**184.1**

Operating Activities

Net cash generated from operating activities for the fiscal year ended March 31, 2016 was € 171.2 million. Cash generated from operations before changes in working capital & income tax was € 284.9 million which was offsetted by net cash utilised in working capital of € 53.5 million primarily due to increase in trade receivables for € 72.2 million. Income Tax payment of € 60.2 million was made during the fiscal year ended March 31, 2016.

Investing Activities

Net cash flow utilised in investing activities during the fiscal year ended March 31, 2016 was € 228.1 million. This was primarily contributed by net amount paid for purchase of property, plant & equipment for € 235.3 million off-setted by receipt of dividend for € 5.8 million.

Financing Activities

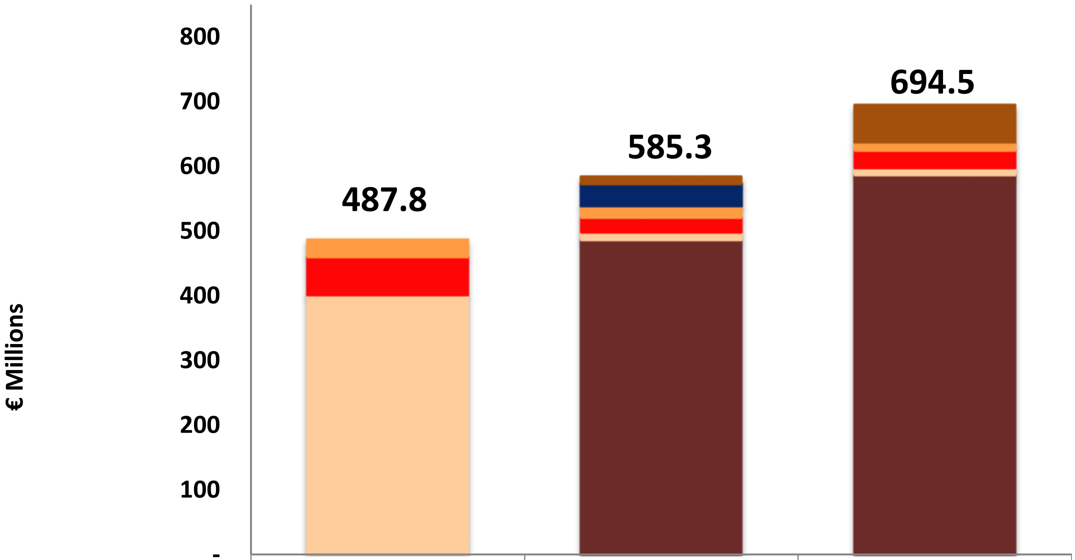
Net cash flow generated from financing activities for the fiscal year ended March 31, 2016 was € 70.2 million. This mainly constituted proceeds from secured bonds for € 100.0 million which was partly utilised for repayment of certain existing revolver facilities. Interest payment on financial liabilities for the fiscal year ended March 31, 2016 was € 29.1 million, and dividend paid to non-controlling shareholders was € 6.2 million.

DEBT & CASH

Gross Debt

Gross Debt as at March 31, 2016 was € 694.5 million against € 585.3 million as at March 31, 2015. Increase in Gross debt during the fiscal year ended March 31, 2016 was primarily on account of significant capital expenditure and changes in working capital as explained earlier.

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

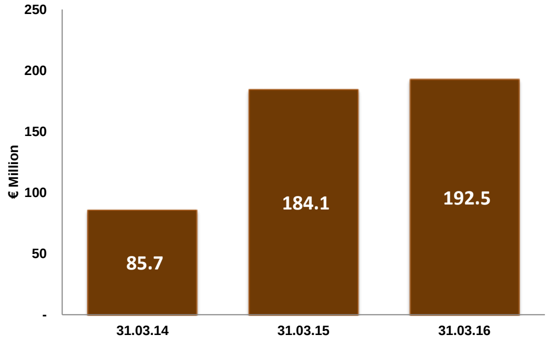


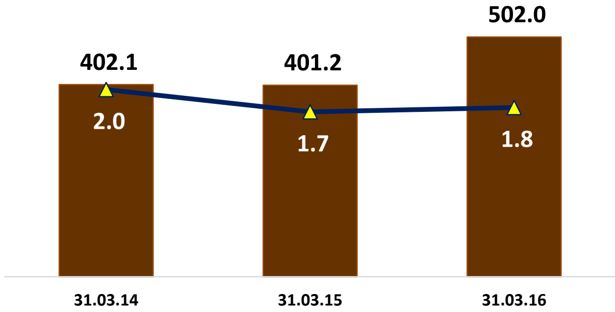
	31.03.14	31.03.15	31.03.16
RCF 1		12.1	58.0
RCF 2		34.0	-
Finance Lease	27.3	18.7	13.4
Working Capital	59.5	23.1	26.7
Term/Shareholder	401.0	11.9	10.7
HY Bond		485.5	585.7

Cash & Net Debt

Cash and cash equivalent was € 192.5 million as at March 31, 2016 and € 184.1 million as at March 31, 2015, cash balance reduced was primarily on account of significant capital expenditure and payment of trade payables.

Net Debt was € 502.0 million as on March 31, 2016 and € 401.2 million as on March 31, 2015.





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, 2016 SMRP BV Group had significant liquidity under committed revolver credit facilities as follows:

€ in Millions	Sanctioned Limit	Utilised as at March 31,2016	Liquidity Available
RCF 1 (including Ancilary facility)	250.0	58.0	192.0
RCF 3	100.0		100.0
RCF 2	50.0	-	50.0
Cash and Cash Equivalent			192.5
Total Liquidity Available			**534.5**

Status of leverage ratio for the fiscal year ended March 31, 2016:

Key Ratios#	Allowed	Status As at March 31, 2016	Status As at March 31, 2015
Gross Leverage Ratio: Indenture	3.50x	2.4x	2.5x
Net Leverage Ratio : RCF	3.25x	1.8x	1.7x

Computed as per definitions given in Indeture & RCF agreements

It is clearly evident from status of leverage ratios as at March 31, 2016 that the company has significant headroom available for generating additional liquidity through borrowings for any growth opportunities and business contingencies.

Samvardhana Motherson Automotive Systems Group BV

Consolidated Financial Statements

For the year ended March 31, 2016

ABBREVIATIONS

€	Euro (European currency)
k€	Thousands of Euros
$	US Dollar (US 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 & its subsidiaries
SMR Group	Samvardhana Motherson Reflectec Group Holdings Limited & its subsidiaries
SMP Group	Samvardhana Motherson Peguform GmbH Germany & its subsidiaries, SMP Automotive Technology Ibérica S.L. & its subsidiaries and SMP Automotive Interiors (Beijing) Co. Ltd.
SMP GmbH	Samvardhana Motherson Peguform GmbH, Germany
SMR	Samvardhana Motherson Reflectec Group Holdings Limited, Jersey
SMP Deutschland	SMP Deutschland GmbH, Bötzingen, Germany
SMP AE	SMP Automotive Exterior GmbH, Germany
SMR Cyprus	Samvardhana Automotive Technology Holding Cyprus Limited, Cyprus
SMP Ibérica	SMP Automotive Technology Ibérica S.L., Polinyà del Vallés, Spain
SMR Holding Deutschland	SMR Automotive Mirror Systems Holding Deutschland
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 (Cefa) S.A., Zaragoza, Spain
SMPL	Samvardhana Motherson Polymers Limited, India
SMGHL	Samvardhana Motherson Global Holdings Ltd, Cyprus
MSSL	Motherson Sumi Systems Limited, India
SMIL India	Samvardhana Motherson International Limited, India

A. CONSOLIDATED FINANCIAL STATEMENTS

All amounts in Euro'000, unless otherwise stated

A.1 Consolidated Statement of Financial Position

	Note	March 31, 2016	March 31, 2015
Assets			
Intangible assets	**A.6.3.1**	27,808	36,620
Property, plant and equipment	**A.6.3.2**	863,950	786,951
Investment properties	**A.6.3.3**	10,733	11,000
Joint ventures accounted for using the equity method	**A.6.3.4**	33,593	27,095
Associates accounted for using the equity method	**A.6.3.5**	259	307
Other financial instruments	**A.6.3.6**	5	5
Trade receivables and other assets	**A.6.3.8**	68,177	27,925
Deferred tax assets	**A.6.5**	39,380	22,471
Non-current assets		**1,043,905**	**912,374**
Inventories	**A.6.3.7**	165,061	168,710
Trade receivables	**A.6.3.8**	497,354	458,949
Current tax assets	**A.6.3.8**	779	283
Other financial instruments	**A.6.3.6**	940	1,169
Other receivables	**A.6.3.8**	83,808	72,073
Cash and cash equivalents	**A.6.3.9**	192,518	184,144
Current assets		**940,460**	**885,328**
Total assets		**1,984,365**	**1,797,702**
Equity and liabilities			
Shareholder's equity	**A.5**	333,347	267,548
Non-controlling interests	**A.5**	70,795	67,854
Equity		**404,142**	**335,402**
Provisions for pension liabilities	**A.6.3.11**	11,838	12,226
Other provisions	**A.6.3.12**	2,059	2,685
Financial liabilities	**A.6.3.13**	600,864	514,198
Other liabilities	**A.6.3.15**	26,287	31,684
Deferred tax liabilities	**A.6.5**	48,322	51,542
Non-current liabilities		**689,370**	**612,335**
Other provisions	**A.6.3.12**	19,443	13,807
Financial liabilities	**A.6.3.13**	93,611	71,141
Trade payables	**A.6.3.15**	574,468	566,402
Liabilities to related parties	**A.6.3.14**	19,771	18,458
Other financial instruments	**A.6.3.6**	27	62
Current tax liabilities	**A.6.3.15**	8,446	17,843
Other liabilities	**A.6.3.15**	175,087	162,252
Current liabilities		**890,853**	**849,965**
Liabilities		**1,580,223**	**1,462,300**
Total		**1,984,365**	**1,797,702**

The notes on pages 48 to 124 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, 2016	Year ended March 31, 2015
Revenue	**A.6.4.1**	**4,012,724**	**3,484,067**
Changes in inventories	**A.6.4.2**	(7,601)	16,118
Other operating Income	**A.6.4.3**	43,291	78,104
Cost of materials	**A.6.4.4**	(2,564,913)	(2,340,498)
Personnel expenses	**A.6.4.5**	(785,428)	(637,202)
Depreciation and amortization	**A.6.4.6**	(121,939)	(86,997)
Other operating expenses	**A.6.4.7**	(406,240)	(341,096)
Result from operating activities		**169,894**	**172,496**
Finance income	**A.6.4.8**	2,136	1,781
Finance costs	**A.6.4.8**	(40,507)	(41,497)
Finance costs - net	**A.6.4.8**	**(38,371)**	**(39,716)**
Share of after-tax profits of joint ventures accounted for under the equity method	**A.6.4.9**	11,556	9,400
Share of after-tax profits/(losses) of associates accounted for under the equity method	**A.6.4.10**	(23)	33
Earnings before taxes (EBT)		**143,056**	**142,213**
Income taxes	**A.6.5**	(29,127)	(30,202)
Profit for the year		**113,929**	**112,011**
Thereof profit or loss for the year attributable to:			
Equity holders of the group		97,281	94,897
Non-controlling interests		16,648	17,114
Profit for the year		**113,929**	**112,011**

The notes on pages 48 to 124 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, 2016	Year ended March 31, 2015
Profit for the year after tax:	**113,929**	**112,011**
Other comprehensive income / (loss):	**(37,783)**	**47,631**
- Items that will not be reclassified to profit & loss		
Remeasurement of post-employment benefits	14	(2,575)
Deferred tax on re-measurement (gains)/ losses	(46)	272
- Items that may be subsequently classified to profit & loss		
Exchange differences on translating foreign operations	(37,751)	49,934
Total comprehensive income for the year	**76,146**	**159,642**
Attributable to:		
Equity holders of the group	66,374	130,932
Non-controlling interests	9,772	28,710
	76,146	**159,642**

The notes on pages 48 to 124 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, 2016	Year ended March 31, 2015
CASH FLOW FROM OPERATING ACTIVITIES			
Profit for the year before tax	**A.2**	**143,056**	**142,213**
Adjustments for:			
Depreciation of property, plant and equipment and investment properties	**A.6.4.6**	111,346	78,748
Amortisation of intangibles	**A.6.4.6**	10,593	8,249
Gain from bargain purchase	**A.6.4.3**	-	(13,329)
(Gain) / loss from the sale of property, plant and equipment, investment properties and assets held for sale	**A.6.4.3 / A.6.4.7**	(183)	457
Finance costs – net (excluding foreign exchange loss)	**A.6.4.8**	32,706	39,482
Share of profits of JV and associates accounted for using equity method	**A.6.4.9 / A.6.4.10**	(11,533)	(9,433)
Reversal / addition of bad debt allowances and provisions	**A.6.4.3 / A.6.4.7**	2,344	277
Unrealised foreign exchange (gain)/loss		(3,427)	19,391
Cash flow from operations before working capital changes		**284,902**	**266,055**
<u>**Working capital changes**</u>			
Increase in provisions		5,342	353
Decrease /(Increase) in inventories		3,649	(2,952)
Increase in trade receivables		(72,236)	(60,144)
Increase in other assets[1]		(19,183)	(16,826)
Increase in trade payables		23,571	133,818
Increase in other liabilities[2]		5,360	32,376
Cash flow from operating activities before income tax		**231,405**	**352,680**
Income tax paid		(60,192)	(38,934)
Cash flow from operating activities (A)		**171,213**	**313,746**
CASH FLOW FROM INVESTING ACTIVITIES			
Disposal of investment in associates		-	49
Purchase of property, plant & equipment (including advances)		(238,858)	(180,255)
Purchase of intangible assets		(1,821)	(3,274)
Proceeds from sale of property, plant and equipment		5,353	3,639
Proceeds from disposal of investments		-	5
Dividends received from Joint Ventures		5,744	500
Acquisition of subsidiaries		-	(35,764)
Acquisition of Joint Venture		(686)	-
Acquisition of non-controlling interests		-	(28,862)
Interest received		2,136	1,782
Cash flow from investing activities (B)		**(228,132)**	**(242,180)**

All amounts in Euro'000, unless otherwise stated

	Note	Year ended March 31, 2016	Year ended March 31, 2015
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid to non-controlling interest		(6,201)	(12,312)
Capital contributions to non-controlling interests		-	292
Repayment of finance lease liabilities		(7,819)	(11,910)
Proceeds from borrowings		115,949	561,389
Repayment of borrowings		(2,668)	(416,067)
Interest paid		(29,122)	(28,883)
Related party loans repaid		-	(68,326)
Cash flow from financing activities (C)		**70,139**	**24,183**
Changes in cash and cash equivalents (A+B+C)		13,220	95,749
Cash and cash equivalents at beginning of period	**A.6.3.9**	184,144	85,701
Variation in cash and cash equivalents from translation in foreign currencies		(4,846)	2,694
Cash and cash equivalents at end of year	**A.6.3.9**	**192,518**	**184,144**

[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 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**

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, 2015	**66**	**900,910**	**26,859**	**62,399**	**(722,686)**	**267,548**	**67,854**	**335,402**
Total comprehensive income								
Profit for the year	-	-	-	97,281	-	97,281	16,648	113,929
Other comprehensive income								
Items that may be subsequently classified to statement of profit or loss								
- Foreign currency translation	-	-	(30,998)	-	-	(30,998)	(6,753)	(37,751)
Items that will not be reclassified to statement of profit or loss								
- Remeasurement of post-employment benefits	-	-	-	170	-	170	(156)	14
- Deferred tax relating to remeasurement	-	-	-	(80)	-	(80)	34	(46)
Total other comprehensive income	**-**	**-**	**(30,998)**	**90**	**-**	**(30,908)**	**(6,875)**	**(37,783)**
Total comprehensive income	**-**	**-**	**(30,998)**	**97,371**	**-**	**66,373**	**9,773**	**76,146**
Transactions with owners								
- Addition during the year	-	-	-	(574)	-	(574)	(631)	(1,205)
- Dividend distribution to non controlling interests	-	-	-	-	-	-	(6,201)	(6,201)
Total transactions with owners	**-**	**-**	**-**	**(574)**	**-**	**(574)**	**(6,832)**	**(7,406)**
As at March 31, 2016	**66**	**900,910**	**(4,139)**	**159,196**	**(722,686)**	**333,347**	**70,795**	**404,142**

The notes on pages 48 to 124 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) and its subsidiaries (hereinafter referred to as "SMRP BV Group"or "the Group") for the year ended March 31, 2016. MSSL is the ultimate parent 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 Hoogoorddreef 15, 1101 BA Amsterdam, The Netherlands.

These consolidated financial statements have been authorised for issue by SMRP BV's management and supervisory board on May 27, 2016.

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, 2015 and ending on March 31, 2016.

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.6.6.3 "Operating Segment Information".

As this transaction is done under "common control" as defined by IFRS, the activities of SMR Group for the period prior to June 13, 2014 had been included in the consolidated accounts using the predecessor accounting method. This accounting treatment lead 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.

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.

This space has been intentionally left blank.

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, 2016	Average rates Year ended March 31, 2016	Closing rates March 31, 2015	Average rates Year ended March 31, 2015
Brazilian Real	BRL	4.09	3.96	3.43	3.12
Mexican Peso	MXN	19.66	18.38	16.37	17.34
Chinese Yuan	CNY	7.34	7.02	6.65	7.85
US Dollar	USD	1.14	1.10	1.07	1.27
Great British Pound	GBP	0.79	0.73	0.72	0.79
Korean Won	KRW	1,301.61	1,276.24	1,188.87	1,341.84
Indian Rupee	INR	75.38	72.29	67.06	77.44
Thai Bhat	THB	39.94	38.64	34.90	41.14
Hungarian Forint	HUF	313.49	310.35	300.18	308.45
Japanese Yen	JPY	128.07	132.58	128.89	138.76
Australian Dollar	AUD	1.49	1.50	1.41	1.45

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.

Acquisition method of accounting is used to account for business combinations by the Group. 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 of each investor. The group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

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 long-term receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the 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 {SMRGHL}	Jersey	98.45%	1.45%	98.45%
Samvardhana Motherson Innovative Autosystems Holding Company B.V. (held by SMRGHL)	Netherlands	100%	-	100%
Samvardhana Motherson Innovative Autosystems de Mexico, S.A. de C.V. (held by SMRGHL)	Mexico	100%	-	100%
Samvardhana Motherson Global (FZE) (held by SMRGHL)	UAE	100%	-	100%
SMR Automotive Mirror Technology Hungary Bt (held by SMRGHL)	Hungary	100%	-	100%
Motherson Innovations Company Limited (held by SMRGHL) {MI UK}	UK	100%	-	100%
SMR Automotive Holding Hong Kong Limited (held by SMRGHL) {SMR Hong Kong}	Hong Kong	100%	-	100%
Samvardhana Automotive Technology Holding Cyprus Limited (held by SMRGHL) {SMR Cyprus}	Cyprus	100%	-	100%
SMR Automotive Systems India Limited (held by SMR Cyprus)	India	51%	49%	51%
SMR Automotive Systems France S. A. (held by SMR Cyprus)	France	100%	-	100%
SMR Automotive System (Thailand) Limited (held by SMR Cyprus)	Thailand	100%	-	100%
SMR Automotive Mirror Technology Holding Hungary Kft (held by SMR Cyprus) {SMR Hungary Kft}	Hungary	100%	-	100%
SMR Automotive Brasil LTDA (held by SMR Hungary Kft)	Brazil	100%	-	100%
SMR Holding Australia Pty Limited (held by SMR Hungary Kft) {SMR Australia}	Australia	100%	-	100%
SMR Automotives Systems Macedonia Dooel Skopje (held by SMR Hungary Kft)	Macedonia	100%	-	100%
SMR Automotive Operations Japan K.K. (held by SMR Hungary Kft)	Japan	100%	-	100%
SMR Automotive Australia Pty Limited (held by SMR Australia)	Australia	100%	-	100%
SMR Automotive Mirror Parts and Holdings UK Limited (held by SMRGHL) {SMR UK}	UK	100%	-	100%
SMR Patents S.A.R.L. (held by SMR Holding UK)	Luxemburg	100%	-	100%
SMR Automotive Technology Valencia SAU (held by SMR Holding UK)	Spain	100%	-	100%
SMR Automotive Mirrors UK Limited (held by SMR Holding UK)	UK	100%	-	100%
SMR Automotive Services UK Limited (held by SMR Holding UK, liquidated March 05, 2015)	UK	100%	-	100%
SMR Automotive Vision System Operations USA INC. (held by SMR Holding UK) {SMR USA}	USA	100%	-	100%
SMR Automotive Mirror Systems Holding Deutschland GmbH (held by SMR Holding UK) {SMR Holding Deutschland}	Germany	100%	-	100%
SMR Mirrors UK Limited (held by SMR USA) {SMR UK}	UK	100%	-	100%
SMR Automotive Mirror International USA Inc. (held by SMR UK) {SMR International USA}	USA	100%	-	100%
SMR Automotive Systems USA Inc. (held by SMR International USA)	USA	100%	-	100%

All amounts in Euro'000, unless otherwise stated

Entity name	Country	Capital share	Minority shares	Voting rights
SMP Automotive Systems Alabama Inc. (held by SMR International USA)	USA	100%	-	100%
SMR Automotive Beijing Company Limited (held by SMR Hong Kong)	China	100%	-	100%
SMR Automotive Yancheng Company Limited (held by SMR Hong Kong)	China	100%	-	100%
SMR Poong Jeong Automotive Mirrors Korea Limited (held by SMR Holding Deutschland) {SMR Korea}	South Korea	89.86%	10.14%	89.86%
SMR Hyosang Automotive Limited (held by SMR Korea)	South Korea	100%	-	100%
SMR Automotive (Langfang) Co. Limited (held by SMR Korea)	China	100%	-	100%
SMR Automotive Beteiligungen Deutschland GmbH (held by SMR Holding Deutschland)	Germany	100%	-	100%
SMR Automotive Mirrors Stuttgart GmbH (held by SMR Holding Deutschland) {SMR Stuttgart}	Germany	100%	-	100%
SMR Grundbesitz GmbH & Co KG (held by SMR Holding Deutschland)	Germany	93.07%	6.93%	93.07%
SMR Automotive Systems Spain S.A.U. (held by SMR Stuttgart)	Spain	100%	-	100%
SMR Automotive Vision Systems Mexico S.A. de C.V. (held by SMR Stuttgart) {SMR Mexico}	Mexico	100%	-	100%
SMR Automotive Servicios Mexico S.A. de C.V. (held by SMR Mexico)	Mexico	99.99%	0.01%	99.99%
Motherson Innovations Deutschland GmbH (held by MI UK)	Germany	100%	-	100%

SMR Group comprises joint ventures and associates as disclosed below:

Entity name	Country	Capital share
Ningbo SMR Huaxiang Automotive Mirrors Co. Limited	China	50%
Chongqing SMR Huaxiang Automotive Products Limited	China	50%
Re-Time Pty Limited	Australia	35%

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 {SMP GmbH}	Germany	100%	-	100%
SMP Automotive Technology Ibérica, S.L. {SMP Iberica}	Spain	100%	-	100%
SMP Automotive Interiors (Beijing) Co. Ltd	China	100%	-	100%
SMP Automotive Exterior GmbH (held by SMP GmbH) {SMP AE}	Germany	100%	-	100%
SMP Deutschland GmbH (held by SMP GmbH) {SMP Deutschland}	Germany	94.80%	5.20%	94.80%
Samvardhana Motherson Innovative Autosystems B.V. & Co. KG (held by SMP GmbH)	Germany	100%	-	100%
SMP Logistik Service GmbH (held by SMP Deutschland)	Germany	100%	-	100%
SMP Automotive Solutions Slovakia s.r.o. (held by SMP Deutschland)	Slovakia	100%	-	100%
Changchun Peguform Automotive Plastics Technology Ltd. (held by SMP Deutschland) {CPAT}	China	50%	50%	50%+1*
SMP Automotive Technology Management Services (Changchun) Co. Ltd. (held by SMP Deutschland)	China	100%	-	100%
Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by CPAT)	China	100%	-	100%
Samvardhana Motherson Peguform Automotive Technology Portugal, S.A. (held by SMP Iberica)	Portugal	100%	-	100%
SMP Automotive Technologies Teruel, S.L. (held by SMP Iberica) {SMP Teruel}	Spain	100%	-	100%
Samvardhana Motherson Peguform Barcelona, S.L.U. (held by SMP Iberica) {SMP Barcelona}	Spain	100%	-	100%
SMP Automotive Produtos Automotivos do Brasil Ltda (held by SMP Teruel)	Brazil	100%	-	100%-1
SMP Automotive Systems México, S. A. de C. V. (held by SMP Barcelona)	Mexico	100%	-	100%-1
SM Real Estate GmbH (held by SMP AE)	Germany	94.80%	5.20%	94.80%

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

SMP Group comprises joint ventures as disclosed below:

Name	Country	Capital share
Celulosa Fabril (Cefa) S.A.	Spain	50%
Modulos Ribera Alto S.LU.	Spain	50%
Eissmann SMP Automotive Interieur Slovensko s.r.o.	Slovakia	49%

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.

All amounts in Euro'000, unless otherwise stated

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. 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 substantial 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 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.

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.

A financial asset is derecognised in the following circumstances:

- The group transfers the contractual rights to receive the cash flow it generates have expired or have been transferred, and
- The group has transferred substantially all the risk and rewards of the ownership.

As at March 31, 2016, the Group had an amount of €215.2 million (March 31, 2015 : € 151.4 million) of receivables derecognised from its balance sheet as group had transferred the contractual right and has substantially transferred all risks and rewards of ownership of these receivables to various financial institutions.

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 at amortised cost. 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.

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.

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.

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.

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.

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. 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 from finance lease

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 2015-16 to the extent relevant for the Group.

New standards and interpretations

During the financial year ended March 31, 2016, below mentioned amendments to IFRS became applicable to the company, however these did not have any impact on the net asset, financial or income position of the Group

- *Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)*
- *Annual Improvements to IFRSs 2010 – 2012 Cycle*
- *Annual Improvements to IFRSs 2011 – 2013 Cycle*
- *IFRIC Interpretation 21 Levies*

All amounts in Euro'000, unless otherwise stated

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)
Accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11)	January 01, 2016
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	January 01, 2016
Amendments to IAS 1: Disclosure Initiative	January 01, 2016
Annual Improvements to IFRSs 2012–2014 Cycle	January 01, 2016
Amendments to IAS 27: Equity Method in Separate Financial Statements	January 01, 2016
Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses	Not yet endorsed
Amendments to IAS 7: Disclosure Initiative	Not yet endorsed
Clarifications to IFRS 15 Revenue from Contracts with Customers	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

At this stage, the group is not able to estimate the impact of the new rules on the group's financial statements. The group will make more detailed assessments of the impact over the next twelve months. An early adoption of any of the new standards and interpretations is not planned.

All amounts in Euro'000, unless otherwise stated

A.6.3 Disclosures regarding the Consolidated Statement of Financial Position

A.6.3.1 Intangible assets

	Concessions, Intellectual Property, Software and Similar rights	Patents & Technology	Contracts with customers	Advance payment	Total
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**
Cost					
At April 1, 2015	16,613	26,019	28,577	1,000	72,209
Additions	1,821	-	-	-	1,821
Disposals	(27)	-	-	-	(27)
Reclassifications	1,185	-	-	(1,000)	185
Foreign currency translation	(265)	-	(178)	-	(443)
At March 31, 2016	**19,327**	**26,019**	**28,399**	**-**	**73,745**
Amortisation					
At April 1, 2015	11,555	15,220	8,814	-	35,589
Amortisation charge	2,979	3,673	3,941	-	10,593
Disposals	(21)	-	-	-	(21)
Foreign currency translation	(110)	-	(114)	-	(224)
At March 31, 2016	**14,403**	**18,893**	**12,641**	**-**	**45,937**
Net book value March 31, 2016	**4,924**	**7,126**	**15,758**	**-**	**27,808**

All amounts in Euro'000, unless otherwise stated

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

	Years
Patents & Technology	4-9
Contracts with customers	1-7

Expenses for research and development for the year ended March 31, 2016 amounted to k€ 50,185 (March 31, 2015: k€ 42,085).

As at March 31, 2016, intangible assets with a net book value of k€ 2,485 (March 31, 2015: k€ 2,153) were subject to security for bank borrowings.

All amounts in Euro'000, unless otherwise stated

A.6.3.2 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 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
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**
Cost						
At April 1, 2015	296,288	468,856	37,697	53,223	194,386	1,050,450
Additions	13,683	45,984	1,846	10,305	157,750	229,568
Disposals	(175)	(4,462)	(809)	(754)	(2,370)	(8,570)
Reclassifications	52,020	97,089	5,018	4,611	(159,924)	(1,186)
Foreign currency translation	(8,939)	(18,830)	(3,475)	(2,301)	(12,493)	(46,038)
At March 31, 2016	**352,877**	**588,637**	**40,277**	**65,084**	**177,349**	**1,224,224**
Depreciation and Impairment						
At April 1, 2015	35,159	177,395	22,222	28,704	19	263,499
Depreciation charge for the period	12,131	63,851	6,117	10,339	-	92,438
Impairment	902	15,298	-	2,440	-	18,640
Disposals	(83)	(1,437)	(329)	(726)	-	(2,575)
Reclassifications	-	358	-	(358)	-	-
Foreign currency translation	(1,164)	(7,181)	(2,147)	(1,236)	-	(11,728)
At March 31, 2016	**46,945**	**248,284**	**25,863**	**39,163**	**19**	**360,274**
Net book values at March 31, 2016	**305,932**	**340,353**	**14,414**	**25,921**	**177,330**	**863,950**

As at March 31, 2016, property, plant and equipment with a net book value of k€ 386,363 (March 31, 2015: k€ 179,214) were subject to security for bank borrowings. (see note A.6.3.13).

During the year, the Group has capitalised borrowing costs amounting to k€ 3,986 (March 31, 2015: k€ 1,421) on qualifying assets. Borrowing costs were capitalised at the weighted average rate of its general borrowings of 5.05%.

During the year ended March 31, 2016 one of the Group's subsidiary SMP Automotive Produtos Automotivos do Brasil Ltda (forming part of SMP segment) was tested for impairment. The impairment assessment was triggered due to weak financial performance mainly due to slow down in Brazil automobile market coupled with high inflation and exchange rate increase.

The management prepared an impairment analysis using discounted cash flow projections based on financial budgets approved by management covering a five-year period to calculate the value in use of the CGU. This resulted in the Group recognising an impairment loss of k€ 18,640 during the year. The analysis was prepared using discount rate of 15%, reflecting specific risks related to Brazil, to discount the future cash flows. The impairment loss is included under 'Depreciation and amortisation' in the Income Statement under Note A.6.4.6.

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 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**
Cost				
At April 1, 2015	**17,697**	**22,469**	**313**	**40,479**
Additions	-	2,685	340	3,025
Disposals	-	-	(18)	(18)
Reclassifications	-	(8,382)	-	(8,382)
Foreign currency translation	(207)	(1,302)	(21)	(1,530)
At March 31, 2016	**17,490**	**15,470**	**614**	**33,574**
Depreciation and Impairment				
At April 1, 2015	**2,372**	**5,571**	**232**	**8,175**
Depreciation charge for the period	446	2,225	67	2,738
Disposals	-	-	(2)	(2)
Reclassification	-	(2,854)	-	(2,854)
Foreign currency translation	(46)	(343)	(11)	(400)
At March 31, 2016	**2,772**	**4,599**	**286**	**7,657**
Net book values at March 31, 2016	**14,718**	**10,871**	**328**	**25,917**

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, 2016 of k€ 25,917 (March 31, 2015: k€ 32,304) (see note A.6.3.13).

All amounts in Euro'000, unless otherwise stated

A.6.3.3 Investment properties

	March 31, 2016	March 31, 2015
Cost		
At beginning of the year	12,637	12,637
Additions	-	-
At end of the year	**12,637**	**12,637**
Depreciation and Impairment		
At beginning of the year	1,636	1,370
Depreciation charge	268	267
At end of the year	**1,904**	**1,637**
Net book values at end of the year	**10,733**	**11,000**

The fair value of investment properties as on March 31, 2016 is k€ 11,440 (March 31, 2015: k€ 11,440). 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.

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

	March 31, 2016	March 31, 2015
Not later than one year	541	642
Later than one year and not later than five years	86	581
	627	**1,223**

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

	March 31, 2016	March 31, 2015
Rental income from rented properties, all leased under operating leases	866	1,071
Other operating income	97	112
Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	(750)	(1,048)
Net rental income from rented properties	**213**	**135**

All amounts in Euro'000, unless otherwise stated

A.6.3.4 Joint ventures accounted for using the equity method

	Joint Ventures
At April 1, 2014	18,195
Share of the profits	9,400
Addition	-
Dividend payment	(500)
At March 31, 2015	**27,095**
At April 1, 2015	27,095
Share of the profits	11,556
Addition	686
Dividend payment	(5,744)
At March 31, 2016	**33,593**

A.6.3.4.1 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, 2016	March 31, 2015
Ningbo SMR Huaxiang Automotive Mirrors Co., Ltd (NSHAM) (including Chongqing SMR Huaxiang automotive Products Ltd)	11,192	10,663
Celulosa Fabril (Cefa) S.A. (CEFA) (including Modulos Ribera Alto S.LU.)	18,788	13,411
Eissmann SMP Automotive Interieur Slovensko s.r.o. (Eissmann)	3,613	3,021
Total	**33,593**	**27,095**

All amounts in Euro'000, unless otherwise stated

Summarised financial information of joint ventures

Name of the Company	March 31, 2015			
Percentage ownership interest	NSHAM 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	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)	(6,840)
Interest income	-	423	-	426
Interest expense	(34)	(1,112)	-	(1,146)
Income tax expense/ income	(1,110)	(1,122)	(803)	(3,035)

All amounts in Euro'000, unless otherwise stated

Name of the Company	March 31, 2016			
Percentage ownership interest	NSHAM 50%	CEFA 50%	Eissmann 49%	Group's share
Balance Sheet				
Non-current assets	24,705	41,422	9,633	37,784
Current assets	67,728	51,906	5,911	62,663
Gross assets	**92,433**	**93,328**	**15,544**	**100,447**
Current liabilities	52,513	43,187	8,054	51,796
Non-current liabilities	904	12,564	117	6,791
Gross liabilities	**53,417**	**55,571**	**8,171**	**58,587**
Net assets	**39,016**	**37,577**	**7,373**	**41,860**
Group's interest	19,459	18,788	3,613	41,860
Less: foreign currency translation	8,267	-	-	8,267
Carrying value of investment	**11,192**	**18,788**	**3,613**	**33,593**
Above net assets include				
Cash and cash equivalents	13,541	14,329	187	14,026
Current financial liabilities (excluding trade payable and other provisions)	-	7,482	-	3,741
Non-Current financial liabilities (excluding trade payable and other provisions)	-	10,846	-	5,423
Results				
Revenue	138,171	110,784	42,044	145,080
Expense	(128,325)	(97,330)	(42,237)	(133,524)
Profit for the period	**9,846**	**13,454**	**(193)**	**11,556**
Other comprehensive income	-	-	-	-
Total comprehensive income	**9,846**	**13,454**	**(193)**	**11,556**
Above results include				
Depreciation and amortisation	(3,826)	(5,212)	(805)	(4,913)
Interest income	-	117	-	59
Interest expense	(284)	(677)	-	(481)
Income tax expense/ income	(1,270)	(7,173)	(87)	(4,179)

As the year end, the Group had no contractually fixed capital commitments in relation to its joint ventures.

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.

All amounts in Euro'000, unless otherwise stated

A.6.3.5 Associates accounted for using the equity method

Re-Time Pty Ltd. 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 internal body clock and help overcome jet lag without drug use.

Reconciliation of Group's interest in Re-Time is as below -

	March 31, 2016	March 31, 2015
Opening	307	307
Disposal of investment	-	(49)
Share of Profit	(23)	33
Dividend	(9)	-
Exchange difference	(16)	16
At 31st March	**259**	**307**

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

	March 31, 2016		March 31, 2015	
	Group's share	Total	Group's share	Total
RE-TIME balance sheet				
Non-current assets	54	158	89	255
Current assets	94	277	126	359
Gross assets	**148**	**435**	**215**	**614**
Current liabilities	11	33	15	42
Non-current liabilities	-	-	-	-
Gross liabilities	**11**	**33**	**15**	**42**
Net assets	**137**	**402**	**200**	**572**
Group's interest	137		200	
Add : foreign currency translation	122		107	
Carrying value of investment	**259**		**307**	
Above net assets include				
Cash and cash equivalents	68	199	58	164
Current financial liabilities (excluding trade payable and other provisions)	-	-	-	-
Non-Current financial liabilities (excluding trade payable and other provisions)	-	-	-	-
RE-TIME results				
Revenue	141	415	269	769
Expense	(164)	(482)	(236)	(673)
Profit / (Loss) for the year	(23)	(67)	33	96
Above results include				
Depreciation and amortisation	-	-	-	-
Interest income	-	-	-	-
Interest expense	-	-	-	-
Income tax expense/ income	-	-	-	-

All amounts in Euro'000, unless otherwise stated

A.6.3.6 Other financial instruments

	March 31, 2016		March 31, 2015	
	Assets	Liabilities	Assets	Liabilities
Other Financial investments	945	27	1,174	62
Less: Non-current Portion	5	-	5	-
Current Portion	**940**	**27**	**1,169**	**62**

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, 2016 is k€ 63,079 (March 31, 2015: k€ 62,430).

A.6.3.7 Inventories

Inventories comprise the following:

	March 31, 2016	March 31, 2015
Raw materials and manufacturing supplies	98,595	94,391
Work in progress	24,280	24,212
Finished goods and goods for trading	42,186	50,107
	165,061	**168,710**

During the year, inventories of k€ 2,715 (March 31, 2015: k€ 8,146) were written down. The amounts of the write-down 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 write-down amounting to k€ 1,136 (March 31, 2015: k€ 5,659) as the related goods were sold during the year at prices equal to or above the cost. The amount of such write-down and reversals of write-down are recognised as "Cost of materials" in the statement of profit and loss.

As at March 31, 2016, inventories amounting to k€ 62,828 (March 31, 2015: k€ 88,440) were pledged as security for various bank borrowings. (see note A.6.3.13).

All amounts in Euro'000, unless otherwise stated

A.6.3.8 Trade receivables, tax receivables and other receivables

		March 31, 2016	March 31, 2015
Non Current			
Non current investments		4,769	162
Trade receivables (third parties)		57,564	25,988
Others		5,844	1,775
	(a)	**68,177**	**27,925**
Current			
Trade receivables (third parties)		497,354	458,949
	(b)	**497,354**	**458,949**
Current tax assets	**(c)**	779	283
Other receivables			
Receivables from related parties		4,812	5,955
Other tax receivables		24,978	19,751
Deposits		3,715	2,726
Prepaid expenses		11,146	8,152
Advanced payments		19,252	12,987
Supplier bonus		4,527	4,099
Other		15,378	18,403
	(d)	**83,808**	**72,073**
Total (a+b+c+d)		**650,118**	**559,230**

The carrying amount of the non-current trade receivables as at March 31, 2016 is calculated using discount rates of 0.07%-2.4% (March 31, 2015: 1%-8%).
Other tax receivables mainly comprise receivables from input VAT.

The carrying values approximately correspond to the fair values. Trade receivables as at March 31, 2016 were reported after deducting impairments amounting to k€ 8,407 (March 31, 2015: k€ 7,409). The impairments are reported in the income statement under the item “Other operating expenses”.

All amounts in Euro'000, unless otherwise stated

A.6.3.8.1 Construction Contracts

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

	Year ended March 31, 2016	Year ended March 31, 2015
For contracts in progress:		
- The aggregate costs incurred and recognised profits (less recognised losses) to date	260,619	223,004
- the amount of advances received;	52,291	47,076
Amount of contract revenue recognised as revenue in the period	416,124	339,054
Gross amount due from customers for contract work as an asset	274,750	223,004
Gross amount due to customers for contract work as a liability	2,629	-

A.6.3.9 Cash and cash equivalents

	Year ended March 31, 2016	Year ended March 31, 2015
Cash at bank	192,404	184,021
Cash on hand	114	123
	192,518	**184,144**

There are no contractual or other restrictions on the use of cash and cash equivalents.

All amounts in Euro'000, unless otherwise stated

A.6.3.10 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 April 1, 2014	**20,500**	**20,500**
Add: Issued during the year	45,676	45,676
As at March 31, 2015	**66,176**	**66,176**
Add: Issued during the year	-	-
As at March 31, 2016	**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 in lieu of acquisition of 98.45% interest in Samvardhana Motherson Reflectec Group Holdings Limited, Jersey 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.6.3.11 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, 2016	March 31, 2015
As at beginning of the period	34,736	25,284
Current service cost	2,401	1,457
Interest expense	423	1,075
Benefits paid	(17,196)	(1,570)
Actuarial (gains) or losses	(57)	4,432
Foreign currency differences	(1,115)	4,073
Reclassifications	11	(15)
As at end of the period	**19,203**	**34,736**

	March 31, 2016	March 31, 2015
Re-measurements:		
–Return on plan assets, excluding amounts included in interest expense	43	3,927
–(Gain)/loss from change in demographic assumptions	(14)	369
–(Gain)/loss from change in financial assumptions	(675)	4,160
–Experience (gains)/losses	632	(87)
–Change in asset ceiling, excluding amounts included in interest exp.	-	(5,794)
Total	**(14)**	**2,575**

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

	March 31, 2016	March 31, 2015
Recognised in the income statement		
Current service cost	2,401	1,457
Running Costs	8	464
Net benefit expense	**2,409**	**1,921**
Other finance costs / Income		
Interest income on scheme assets	(182)	(989)
Effect of limitation of plan assets	-	250
Interest costs on scheme liabilities	423	1,075
Other finance costs (net)	**241**	**336**

The pension provisions correspond to each of the defined-benefit obligations at their present value.

All amounts in Euro'000, unless otherwise stated

The expenses are reported under the item "Finance costs" (under "Interest expenses on defined benefit obligations") and "Personnel expenses" (under "Pension costs from defined benefit plans").

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

	March 31, 2016	March 31, 2015
Actual return on plan assets	139	(2,938)
Expected return on plan assets	(182)	(989)
Actuarial gains and (losses) on plan assets	**(43)**	**(3,927)**
Actuarial gains and (losses) on defined benefit obligations	57	(4,432)
Total	**14**	**(8,359)**
Effects of the limitation of scheme assets	-	5,784
Actuarial gains and (losses) recognised in the consolidated Statement of Comprehensive Income	**14**	**(2,575)**

The assets and liabilities of the schemes are:

	March 31, 2016	March 31, 2015
Scheme assets at fair value		
Bonds and gilts and others	7,365	21,911
Cash	-	599
Fair value of scheme assets	**7,365**	**22,510**
Defined Benefit Obligation	**19,203**	**34,736**
Thereof funded	10,120	22,195
Thereof unfunded	9,083	12,541
Funding status - deficit / (surplus)	**11,838**	**12,226**

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

	March 31, 2016	March 31, 2015
As at beginning of the period	**22,510**	**19,657**
Return on plan assets	182	989
Contributions made by the Group	2,316	2,982
Benefits paid	(16,837)	(813)
Running Cost	(8)	(464)
Actuarial gains / (losses) on plan assets	(37)	(3,927)
Foreign currency differences	(761)	4,086
As at end of the period	**7,365**	**22,510**

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

	March 31, 2016	March 31, 2015
Actuarial assumptions		
Rate of salary increases	2.50% - 8%	2% - 7.5%
Rate of increase in pension	1.50% - 2.00%	1.75% to 2.90%
Mortality Table*	-	-
Discount rate	1.70% - 7.90%	1.35% - 7.90%

*Due to the use of different tables at different locations, this information is not disclosed.

All amounts in Euro'000, unless otherwise stated

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

	March 31, 2016	March 31, 2015
As at beginning of the period	12,226	10,541
Expense recorded in the period	2,650	2,257
Benefits paid	(359)	(757)
Contributions made by the Group	(2,316)	(2,982)
Amount recognised in Consolidated Statement of Comprehensive Income	(14)	2,575
Foreign currency differences	(350)	607
Other (reclassification and net transfer out)	1	(15)
As at end of the period	**11,838**	**12,226**
Thereof recorded as a provision	19,203	34,736
Thereof recorded as an asset	7,365	22,510

Sensitivity of the Defined Benefit Obligation

As on March 31, 2016

	Impact on defined benefit obligation		
	Change in assumption	**Increase in assumption**	**Decrease in assumption**
Discount rate	0.5%	(1,166)	1,300
Salary growth rate	0.5%	670	(619)
Pension growth rate	0.5%	366	(248)
		Increase by 1 year in assumption	**Decrease by 1 year in assumption**
Life expectancy		320	(319)

Expected contributions to post-employment benefit plans for the year ending March 31, 2017 are k€ 2,399.

Defined contribution plans

During the year, the Company recorded an expense of k€ 19,983 (March 31, 2015: k€ 17,644) towards defined contribution plans. The expenses are included in income statement under Personnel Expenses.

All amounts in Euro'000, unless otherwise stated

A.6.3.12 Other provisions

	Warranties	Personnel related	Others	Total
At April 1, 2014	10,286	843	1,670	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	(73)	49	911
At March 31, 2015	**12,700**	**887**	**2,905**	**16,492**
Current	11,461	137	2,209	13,807
Non-current	1,239	750	696	2,685
	12,700	**887**	**2,905**	**16,492**
At April 1, 2015	**12,700**	**887**	**2,905**	**16,492**
Arising during the year	8,509	2,642	1,399	12,550
Utilised	(4,675)	(23)	(964)	(5,662)
Reversal of unused amounts	(360)	-	(617)	(977)
Foreign currency differences	(620)	(125)	(156)	(901)
At March 31, 2016	**15,554**	**3,381**	**2,567**	**21,502**
Current	14,384	2,492	2,567	19,443
Non-current	1,170	889	-	2,059
	15,554	**3,381**	**2,567**	**21,502**

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.

Personnel related provisions

Personnel related provisions mostly comprise accruals for miscellaneous employee cost.

Others

Other provisions are related to accruals for litigations, site restoration expenses for removing the asset and/or restoring the site and other miscellaneous items

All amounts in Euro'000, unless otherwise stated

A.6.3.13 Financial liabilities

	March 31, 2016	March 31, 2015
Non-current financial liabilities		
Liabilities to bank	594,389	503,262
Finance lease liabilities	6,475	10,936
Total non-current financial liabilities	**600,864**	**514,198**
Current financial liabilities		
Liabilities to bank	86,714	63,396
Finance lease liabilities	6,897	7,745
Total current financial liabilities	**93,611**	**71,141**

Liabilities to banks mainly comprise the € 500 million and € 100 million Senior Secured Notes issued during the financial year ended March 31, 2015 and March 31, 2016 respectively to refinance the existing debts in the Group and general corporate purposes including capital expenditure.

The liabilities to banks include secured liabilities to banks and financial institutions of k€ 681,112 (March 31, 2015: k€ 566,658) as well as secured finance lease liabilities of k€ 13,372 (March 31, 2015: k€ 18,681). 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.6.3.1, A.6.3.2, A.6.3.4, A.6.3.7, A.6.3.8, A.6.3.9 respectively), finance lease are secured by land and buildings as well as technical plant and machinery (see note A.6.3.2).

For maturity profile of liabilities to bank and finance lease liabilities see note A.6.6.4.

All amounts in Euro'000, unless otherwise stated

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

As at March 31, 2016

Particulars	Loan Amount	Interest Rates	Current	Non-Current	Maturity
Term loan from banks	9,190	Euribor+1.55%	9,190	-	28-Mar-20
	1,368	10.50%	497	871	29-Oct-18
	358	1.50%	195	163	31-Dec-17
Senior Secured Notes	487,831	4.125%	-	487,831	15-Jul-21
Senior Secured Notes	97,892	3.70%	-	97,892	18-Jun-25
Term loan from others	579	0%	-	579	30-Jun-96
	550	11%	62	488	30-Jun-22
	316	5.00%	-	316	11-Feb-23
	57	4.87%	57	-	11-Feb-23
	129	4.87%	11	118	31-Dec-23
	469	5.37%	-	469	30-Jun-26
	3,978	4.96%	830	3,148	31-Dec-20
	359	0%	35	324	30-Jun-25
	636	0%	62	574	30-Jun-25
	580	0%	-	580	31-Jul-26
	1,274	3.95%	238	1,036	30-Nov-22
Working capital loans	75,537	Varied	75,537	-	On demand
	681,103		**86,714**	**594,389**	

All amounts in Euro'000, unless otherwise stated

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	4.125%	-	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%	-	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**	

The Group has financial covenants requirements (see note A.6.6.4), which all have been met.

Issue of Senior Secured Notes and Revolving Credit Facilities

a. Issue of senior secured notes on July 15, 2014

During the year ended March 31, 2015, the Company issued Euro 500,000,000 4.125% Senior Secured Notes due 2021 (the "2021 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 2021 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 2021 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 2021 Notes by paying 100% of the principal amount of such 2021 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 2021 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 2021 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.

As at March 31, 2016 these bonds were trading at 98.249% (March 31, 2015 : 102.397%)

b. Issue of senior secured notes on June 18, 2015

During the year ended March 31, 2016, the Company issued Euro 100,000,000 3.70% Senior Secured Notes due 2025 (the "Notes"). The Notes bear interest at a rate of 3.70% payable annually on June 18 of each year and will mature on June 18, 2025. 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 June 18, 2025, redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a “make-whole” premium. In addition, prior to June 18, 2025, 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 2021 Notes and the Revolving Credit Facilities. The Notes are guaranteed on a senior secured basis by certain subsidiaries of SMRP BV and are secured by share pledge and security interests granted over certain property and assets of SMRP BV and certain of its subsidiaries.

The gross proceeds from the issuance of the Notes was utilized, after meeting initial notes issue expenses, for general corporate purposes, including to make certain capital expenditures amounting to € 96.0 million.

As at March 31, 2016 these bonds were trading at 86.25%.

All amounts in Euro’000, unless otherwise stated

c. Revolving credit facility

SMRP BV also entered into a new Revolving Credit Facility Agreement with a consortium of banks around the date of issue of the Notes in order to replace the earlier Revolving Facility Agreement entered into during financial year ended March 31, 2015. 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 €350.0 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. Tranche A of the Revolving Facility Agreement amounting to € 250.0 million matures in 2020 and Tranche B of the Revolving Facility Agreement amounting to € 100.0 million matures in 2018.

A.6.3.14 Liabilities to related parties

	March 31, 2016	March 31, 2015
Current		
Other liabilities	19,771	18,458
	19,771	**18,458**

For details on related party transaction see note A.6.6.6.

All amounts in Euro'000, unless otherwise stated

A.6.3.15 Trade payables, tax liabilities and other liabilities

		March 31, 2016	March 31, 2015
Non Current			
Advance received from customers		15,353	18,072
Deferred revenue		649	2,288
Liabilities towards employees		9,312	8,662
Others		973	2,662
	(a)	**26,287**	**31,684**
Current			
Trade payables	**(b)**	574,468	566,402
Current tax Liabilities	**(c)**	8,446	17,843
Other Liabilities			
Advance received from customers		31,559	32,959
Liabilities towards employees		65,284	55,727
Other Tax Liabilities		44,617	30,980
Social security		2,363	3,644
Deferred revenue		5,016	13,634
Interest accrued but not due on borrowings		7,442	4,716
Accruals		6,248	8,753
Others		12,558	11,839
	(d)	**175,087**	**162,252**
Total (a+b+c+d)		**784,288**	**778,181**

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.6.3.16 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	98.45%	1.45%	98.45%
SMR Automotive Systems India Limited (held by SMR Cyprus)	India	51%	49%	51%
SMR Poong Jeong Automotive Mirrors Korea Limited (held by SMR Holding Deutschland)	South Korea	89.86%	10.14%	89.86%
SMR Grundbesitz GmbH & Co KG (held by SMR Holding Deutschland)	Germany	93.07%	6.93%	93.07%
SMP Deutschland GmbH (held by SMP GmbH)	Germany	94.80%	5.20%	94.80%
Changchun Peguform Automotive Plastics Technology Ltd. (held by SMP Deutschland)	China	50%	50%	50%+1*
Foshan Peguform Automotive Plastics Technology Co. Ltd. (held by CPAT)	China	100%	-	100%
SM Real Estate GmbH (held by SMP AE)	Germany	94.80%	5.20%	94.80%

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

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	March 31, 2016			March 31, 2015		
	CPAT	FPAT	SMR India	CPAT	FPAT	SMR India
Balance Sheet						
Non-current assets	33,548	6,747	11,116	36,277	8,071	9,268
Current assets	102,045	2,642	25,390	100,713	3,383	18,352
Gross assets	**135,593**	**9,389**	**36,506**	**136,990**	**11,454**	**27,620**
Current liabilities	50,691	5,919	17,708	54,058	7,293	11,006
Non-current liabilities	-	-	2,438	-	645	2,642
Gross liabilities	**50,691**	**5,919**	**20,146**	**54,058**	**7,938**	**13,648**
Net assets	**84,902**	**3,470**	**16,360**	**82,932**	**3,516**	**13,972**
Results						
Revenue	197,185	4,048	67,036	222,169	7,746	48,176
Expense	(171,939)	(3,753)	(62,938)	(189,721)	(7,579)	(46,991)
Profit for the period	**25,246**	**295**	**4,098**	**32,448**	**167**	**1,185**
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	**25,246**	**295**	**4,098**	**32,448**	**167**	**1,185**
Dividends paid to non-controlling interest	6,201	-	-	11,976	-	-
Profit for the year attributable to non-controlling interest	12,434	147	2,008	15,828	(278)	581
Accumulated non-controlling interest	44,044	49	8,801	43,265	55	6,792

Summarised cash flows

Name of the Company	March 31, 2016			March 31, 2015		
	CPAT	FPAT	SMR India	CPAT	FPAT	SMR India
Cash flows from Operating Activities						
Cash generated from operations	38,525	(620)	3,892	28,215	2,942	4,735
Interest paid	133	5	314	20	1	(347)
Income tax paid	(4,448)	(42)	(1,969)	(5,376)	(53)	(666)
Net cash generated from operating activities	**34,210**	**(657)**	**2,237**	**22,859**	**2,890**	**3,722**
Net cash used in investing activities	**(707)**	**715**	**(3,440)**	**(9,816)**	**(3,166)**	**(1,376)**
Net cash used in financing activities	**(13,597)**	**-**	**886**	**(23,951)**	**-**	**(2,311)**
Net (decrease)/increase in cash and cash equivalents	**19,906**	**58**	**(317)**	**(10,908)**	**(276)**	**35**
Cash, cash equivalents and bank overdrafts at beginning of year	12,902	852	811	20,934	938	781
Exchange gains/(losses) on cash and cash equivalents	(3,063)	(85)	(4)	2,876	190	74
Cash and cash equivalents at end of year	**29,745**	**825**	**490**	**12,902**	**852**	**890**

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

All amounts in Euro'000, unless otherwise stated

A.6.4 Disclosures regarding the Consolidated Income Statement

A.6.4.1 Revenues

	Year ended March 31, 2016	Year ended March 31, 2016
Sale of products	3,596,600	3,145,013
Sale of tooling	416,124	339,054
Total	**4,012,724**	**3,484,067**

A.6.4.2 Changes in inventories

	Year ended March 31, 2016	Year ended March 31, 2015
Opening stock of		
finished goods	48,890	37,979
work-in-progress	24,212	19,005
Less: closing stock of		
finished goods	(41,220)	(48,890)
work-in-progress	(24,281)	(24,212)
Total	**7,601**	**(16,118)**

A.6.4.3 Other operating income

	Year ended March 31, 2016	Year ended March 31, 2015
Subsidies /Income from investment Grants	5,359	3,851
Income from development work and other recoveries from Customers	5,153	8,225
Rental income	976	1,181
Royalty income	2,069	1,624
Gain from the sale of property, plant and equipment and Intangible assets	661	585
Provisions written back/Gain on reversal of bad debt allowance	390	884
Gain on bargain purchase	-	13,329
Other Income*	28,683	48,425
Total	**43,291**	**78,104**

*Other Income includes insurance proceeds for fire at Polinya plant of k€ 9,156 (March 31, 2015: k€ 20,546) to recover the fixed costs which are included under other operating expenses.

All amounts in Euro'000, unless otherwise stated

A.6.4.4 Cost of materials

	Year ended March 31, 2016	Year ended March 31, 2015
Raw Material	2,564,913	2,340,498
Total cost of materials	**2,564,913**	**2,340,498**

A.6.4.5 Personnel expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Wages and salaries	558,753	455,336
Paid labour rendered by third parties	129,279	102,347
Social security costs	94,995	78,062
Pensions costs from defined benefit plans	2,401	1,457
	785,428	**637,202**

The number of employees (headcounts) was as follows:

	Year ended March 31, 2016 No's.	Year ended March 31, 2015 No's.
Non Production Personnel	8,056	6,917
Production Personnel	14,318	14,380
Total	**22,373**	**21,297**

A.6.4.6 Depreciation and amortization

	Year ended March 31, 2016	Year ended March 31, 2015
Depreciation of property, plant and equipment	92,438	78,481
Depreciation on investment properties	268	267
Amortisation of intangible assets	10,593	8,249
Impairment loss (refer note A.6.3.2)	18,640	-
Total	**121,939**	**86,997**

All amounts in Euro'000, unless otherwise stated

A.6.4.7 Other operating expenses

	Year ended March 31, 2016	Year ended March 31, 2015
General administration expenses *	137,702	124,086
Energy	65,009	58,609
Repairs and maintenance	74,835	55,672
Rent and lease	43,462	36,010
Freight and forwarding	39,963	33,990
Bad debts/advances written off	2,734	1,160
Auditors remuneration	5,357	4,192
Net foreign exchange loss	4,746	2,273
Legal and professional expenses	32,432	25,104
Total	**406,240**	**341,096**

*Expenses during March 31, 2016 includes k€ 8,593 (March 31, 2015: k€ 15,243) to recover the fixed assets due to fire at Polinya Plant.

A.6.4.8 Financial costs and income

	Year ended March 31, 2016	Year ended March 31, 2015
Interest Income	2,136	1,781
Total finance income	**2,136**	**1,781**
Interest expenses finance leases	985	1,285
Foreign exchange loss	5,665	234
Interest expense on borrowings	33,434	38,903
Interest expense on defined benefit obligations	423	1,075
Total finance cost	**40,507**	**41,497**

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

A.6.4.9 Share of the profits or loss of joint ventures accounted for using the equity method

	Year ended March 31, 2016	Year ended March 31, 2015
Share of after-tax profits of joint venture accounted for under the equity method	11,556	9,400

Section A.6.3.4 contains further details related to the participation in joint ventures.

All amounts in Euro'000, unless otherwise stated

A.6.4.10 Share of the profits or loss of associates accounted for using the equity method

	Year ended March 31, 2016	Year ended March 31, 2015
Share of after-tax profits/(losses) of associate accounted for under the equity method	(23)	33

Section A.6.3.5 contains further details related to the participation in associates.

A.6.5 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. 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 year comprises the following:

	Year ended March 31, 2016	Year ended March 31, 2015
Current Year	49,104	38,388
Prior year adjustments	1,196	335
Current Tax expense	**50,300**	**38,723**
Development and reversal of temporary differences	(3,712)	(6,650)
Prior year adjustments	(147)	(299)
Effect of reported tax losses	(17,210)	(1,376)
Others	(104)	(196)
Deferred tax (expense)/credit	**(21,173)**	**(8,521)**
Total income taxes	**29,127**	**30,202**

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, 2016	Year ended March 31, 2015
Earnings before income tax	**143,056**	**142,213**
Tax on profit	35,911	35,553
Foreign tax rate differential	(1,184)	(1,557)
Unrecognised Tax Losses	8,871	6,999
Utilisation of tax losses carry forward / Tax Credit	(17,260)	(2,342)
Prior year adjustments	1,974	(98)
Non-deductible expenses and non-taxable income	4,664	(4,873)
Withholding Tax	723	(1,322)
Other	(4,572)	(2,158)
Income tax expense	**29,127**	**30,202**

Tax calculated at domestic tax rates applicable in the respective countries. The weighted average applicable tax rate was 20% for the year ended March 31, 2016 (March 31, 2015: 21%). 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, 2016	Year ended March 31, 2015
Provisions	6,118	5,403
Property, plant and equipment	2,716	2,697
Receivable / Accruals	6,226	4,906
Inventories	1,168	1,398
Tax Value of Reported Loss carry forwards	23,307	8,136
Others	(155)	(69)
Total	**39,380**	**22,471**

Deferred Tax Liability	Year ended March 31, 2015	Year ended March 31, 2015
Intangible assets	7,561	9,460
Property, plant and equipment (Including Finance Lease Liability)	39,810	40,617
Government grants	81	250
Pension	(37)	-
Others	907	1,215
Total	**48,322**	**51,542**

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, 2016	Year ended March 31, 2015
Deferred tax assets:		
- Deferred tax assets to be recovered after 12 months	29,189	14,429
- Deferred tax assets to be recovered within 12 months	10,191	8,042
	39,380	**22,471**
Deferred tax liabilities:		
- Deferred tax liabilities to be settled after 12 months	46,713	52,621
- Deferred tax liabilities to be settled within 12 months	1,609	(1,079)
	48,322	**51,542**

The expiry date of unused tax losses is as below:

Expiring in financial year ending on	Unused tax losses
31 March 2017	5,817
31 March 2018	6,024
31 March 2019	4,460
31 March 2020	5,953
31 March 2021	3,816
31 March 2022	2,548
31 March 2023	5,768
31 March 2024	5,981
31 March 2025	8,571
31 March 2026	13,143
31 March 2027	16,170
31 March 2028	208
31 March 2029	19,280
31 March 2030	39,916
31 March 2031	122
31 March 2032	1,599
No expiry date	179,393
Total	**318,769**

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, 2015	Charged/(credited) to the income statement	Charged/(credited) to other comprehensive income	Acquisition on business combination	Exchange differences	As at March 31, 2016
Deferred tax assets						
Provisions	5,403	793	-	-	(78)	6,118
Property, plant and equipment	2,696	759	-	-	(739)	2,716
Receivable / Accruals	4,906	1,481	-	-	(160)	6,227
Inventories	1,399	(488)	-	-	257	1,168
Tax Value of Reported Loss carryforwards	8,137	15,949	-	-	(778)	23,308
Others	(70)	11	(46)	-	(52)	(157)
Total deferred tax assets	**22,471**	**18,505**	**(46)**	**-**	**(1,550)**	**39,380**
Deferred tax liabilities						
Intangible assets	9,461	(1,893)	-	-	(6)	7,562
Property, plant and equipment (Including finance lease liability)	40,617	(206)	-	-	(601)	39,810
Government grants	250	(173)	-	-	3	80
Pension	-	(37)	-	-	1	(36)
Others	1,214	(359)	-	-	51	906
Total deferred tax liabilities	**51,542**	**(2,668)**	**-**	**-**	**(552)**	**48,322**

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**

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€ 54,751 (March 31, 2015: k€ 68,873) in respect of losses amounting to k€ 310,173 (March 31, 2015: k€ 300,171) that can be carried forward against future taxable income.

Deferred income liabilities have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of k€ 316,687 as on March 31, 2016 (March 31, 2015: k€ 214,543) of subsidiaries, joint ventures and associates.

All amounts in Euro'000, unless otherwise stated

A.6.6 Other disclosures

A.6.6.1 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, 2016	Measurement according to IAS 39		Measurement according to IAS 17 or IAS 11	Fair Value March 31, 2016	Not in Scope
			Amortised cost	At fair value			
Assets							
Other investments	Afs	4,769	-	4,769	-	4,769	-
Trade receivables	LaR	554,918	365,969	-	188,949	365,969	-
Receivables from joint ventures and related parties	LaR	4,812	4,812	-	-	4,812	-
Other receivables	LaR	84,839	57,873	-	-	57,873	26,966
Derivative Financial Instruments	FVPL	945	5	940	-	945	-
Cash and cash equivalents	LaR	192,518	192,518	-	-	192,518	-
Liabilities							
Interest bearing loans and borrowings - non-current							
Liabilities to banks	FLAC	594,389	594,389	-	-	594,389	-
Finance lease liabilities	FLAC	6,475	-	-	6,475	2,844	-
Liabilities to related parties - non-current	FLAC	-	-	-	-	-	-
Interest bearing loans and borrowings - current							
Liabilities to banks	FLAC	86,714	86,714	-	-	86,714	-
Finance lease liabilities	FLAC	6,897	-	-	6,897	5,211	-
Trade payables	FLAC	574,468	574,468	-	-	574,468	-
Liabilities to joint ventures and related parties - current	FLAC	19,771	19,771	-	-	19,771	-
Derivative Financial Instruments	FVPL	27	-	27	-	27	-
Other liabilities	FLAC	201,372	111,882	-	-	111,882	89,490
Thereof: aggregated by category according to IAS 39							
Loans and Receivables (LaR)		837,087	621,172	-	188,949	621,172	26,966
Available-for-Sale Financial Assets (Afs)		4,769	-	4,769	-	4,769	-
Financial liabilities carried at fair value through profit or loss (FVPL)		918	5	913	-	918	-
Financial liabilities measured at amortised cost (FLAC)		1,490,086	1,387,224	-	13,372	1,395,279	89,490

All amounts in Euro'000, unless otherwise stated

Financial instruments	Category according to IAS 39	Carrying Amt. March 31, 2015	Measurement according to IAS 39		Measurement according to IAS 17 or IAS 11	Fair Value March 31, 2015	Not in Scope
			Amortised cost	At fair value			
Assets							
Other investments	Afs	167	-	167	-	167	
Trade receivables	LaR	484,937	334,513	-	150,424	334,513	
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	553,667	-	150,024	553,667	39,121
Available-for-Sale Financial Assets (Afs)		167	-	167	-	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

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.

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 A.6.6.4.

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, 2016	Year ended March 31, 2015
Receivables and payables	(1,833)	(317)
Financial liabilities measured at amortised cost	25,924	16,932

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, 2016	Year ended March 31, 2015
Receivables and payables	2,136	1,781
Financial liabilities measured at amortised cost	(34,842)	(41,263)

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

A.6.6.1.1 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, 2016	Level 1	Level 2	Level 3
Assets				
Available-for-Sale Financial Assets (Afs)	4,769	155	4,615	-
Derivative Financial Instruments	940	-	940	-
Liabilities				
Derivative Financial Instruments	27	-	27	-

Financial instruments	Fair Value March 31, 2015	Level 1	Level 2	Level 3
Assets				
Available-for-Sale Financial Assets (Afs)	167	138	29	-
Derivative Financial Instruments	1,169	-	1,169	-
Liabilities				
Derivative Financial Instruments	62	-	62	-

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.

(c) Financial instruments in Level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. Group's Level 3 instruments represent investment in unlisted equity instruments.

All amounts in Euro'000, unless otherwise stated

A.6.6.1.2 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, 2016
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	604,580	49,662	554,918

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

A.6.6.2 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.

As at the year end, the Group has following contingent liabilities:

	As at March 31, 2016	**As at March 31, 2015**
Indirect tax matters	46	1,042
Direct tax matters	96	119
Others (refer note below)	1,772	43
Total	**1,914**	**1,204**

All amounts in Euro'000, unless otherwise stated

As at March 31, 2016 the group may be potentially liable to the fee of an amount equivalent to € 1.7 million to the Industrial Zone as per the terms of the contract entered into by one of its subsidiary. The Industrial Zone has so far not made any claim with respect to the fee and as per the independent legal advice obtained by the subsidiary, any such claim may be regarding as unfair and may not be accepted in whole or part by the competent court of law. Since it is not yet confirmed whether the subsidiary will have an obligation to pay in the future, no liability has been recognised in respect of such amount in the books of accounts for the year ended March 31, 2016.

Capital expenditure commitments

The group has outstanding capital expenditure commitments which represents outstanding amount of contracts for capital expenditure against which work is yet to be executed by the contractor or supplies to be received. Capital expenditure contracted for at the end of the year but not yet incurred is as follows:

	March 31, 2016	March 31, 2015
Property, plant and equipment (net of advances)	35,352	42,589

A.6.6.3 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.

SMP includes business of SMIA which was acquired last year. 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. 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.

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, 2016				March 31, 2015			
	SMR	**SMP**	**Unallocated / Inter-segment eliminations**	**Total**	**SMR**	**SMP**	**Unallocated / Inter-segment eliminations**	**Total**
Segment revenue:								
Sales to external customers	1,395,852	2,617,562	(690)	4,012,724	1,238,326	2,246,068	(327)	3,484,067
Total revenue	**1,395,852**	**2,617,562**	**(690)**	**4,012,724**	**1,238,326**	**2,246,068**	**(327)**	**3,484,067**
Results:								
EBITDA	145,438	146,395	-	291,833	121,127	138,366	-	259,493
Depreciation and amortization	(36,497)	(85,442)	-	(121,939)	31,126	55,871	-	86,997
Operating profit	108,941	60,953	-	169,894	90,001	82,495	-	172,496
Interest Income	1,350	2,201	(1,415)	2,136	1,398	3,657	(3,274)	1,781
Interest expense	(7,161)	(34,761)	1,415	(40,507)	(10,205)	(34,566)	3,274	(41,497)
Share of profit from joint venture	4,924	6,632	-	11,556	3,251	6,149	-	9,400
Share of profit from associate	(23)	-	-	(23)	33	-	-	33
Profit before tax	**108,031**	**35,025**	**-**	**143,056**	**84,478**	**57,735**	**-**	**142,213**
Income Taxes	(26,290)	(2,837)	-	(29,127)	(18,383)	(11,819)	-	(30,202)
Profit after tax	**81,741**	**32,188**	**-**	**113,929**	**66,095**	**45,916**	**-**	**112,011**
Segment assets:								
Inventory, Debtors and Cash	254,325	658,181	(9)	912,497	289,653	548,139	-	837,792
Others	411,082	1,631,017	(970,231)	1,071,868	344,249	1,570,830	(955,169)	959,910
Total assets	**665,407**	**2,289,198**	**(970,240)**	**1,984,365**	**633,902**	**2,118,969**	**(955,169)**	**1,797,702**
Other items:								
Capital expenditure	74,384	157,005	-	231,389	54,231	163,424	-	217,655
Capital expenditure due to business combination	-	-	-	-	-	33,029	-	33,029
Investment in joint venture	11,192	22,401	-	33,593	10,663	16,432	-	27,095
Investment in associate	259	-	-	259	307	-	-	307

All amounts in Euro'000, unless otherwise stated

	March 31, 2016				March 31, 2015			
	SMR	SMP	Unallocated / Inter-segment eliminations	Total	SMR	SMP	Unallocated / Inter-segment eliminations	Total
Revenue by geographical areas*								
Asia Pacific	439,190	201,232	-	640,422	396,550	230,572	-	627,122
Europe	604,745	2,294,085	(677)	2,898,153	565,227	1,884,731	(327)	2,449,631
The Americas	351,917	122,245	(13)	474,149	276,548	130,766	-	407,314
	1,395,852	**2,617,562**	**(690)**	**4,012,724**	**1,238,325**	**2,246,069**	**(327)**	**3,484,067**
Non-current assets** (excluding deferred taxes, Financial Instruments and investments)	283,878	682,021	-	965,899	265,874	596,622	-	862,496
Sale to external customers above 10% of total revenue								
Audi	68,855	965,921	-	1,034,776	57,062	918,335	-	975,397
Volkswagen	63,911	436,065	-	499,976	88,216	410,682	-	498,898
SEAT	7,770	345,750	-	353,520	6,513	347,349	-	353,862
	140,536	**1,747,736**	**-**	**1,888,272**	**151,791**	**1,676,366**	**-**	**1,828,157**

*The Group has no revenue from external customers in the Netherlands, the country of its domicile.

** As at March 31, 2016 assets amounting to k€ 1,118 (March 31, 2015: Nil) relate to the Netherlands, the country of domicile.

A.6.6.4 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.
The Group has deposited liquid funds at various banking institutions. Primary banking institutions are major international banks. In long term credit ratings these banking institutions are considered to be investment grade. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognised commercial banks and are not past due.

All amounts in Euro'000, unless otherwise stated

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

	March 31, 2016	March 31, 2015
As at beginning of the year	7,409	5,837
Impairment loss recognised	3,511	1,700
Amounts written off	(1,851)	(189)
Unused amounts reversed	(483)	61
Exchange fluctuation	(179)	-
As at end of the year	**8,407**	**7,409**

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, 2016							
Trade receivables	554,918	468,868	58,450	18,188	5,300	1,754	2,358
Receivables from joint ventures and related parties	4,812	4,812	-	-	-	-	-
Cash and cash equivalents	192,518	192,518	-	-	-	-	-
Other receivables	90,553	90,553	-	-	-	-	-
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 receivables	30,391	30,391	-	-	-	-	-

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, 2016**			
	Less Than 1 Year	**1 to 5 years**	**More than 5 years**	**Total**
Non-derivative financial liabilities				
Borrowings - Liabilities to Banks	105,034	104,877	616,607	**826,518**
Finance lease liabilities	7,224	5,912	1,008	**14,144**
Trade payables	574,468	-	-	**574,468**
Liabilities due to shareholders & related parties	19,771	-	-	**19,771**
Other financial liabilities	87,018	15,837	9,054	**111,909**
Total	**793,515**	**126,626**	**626,669**	**1,546,810**

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**

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.6.3.13). The Group conducted sensitivity analyses at year-end to estimate the interest rate risks. If interest rate would increase (or decrease) by 50 basis points, interest liabilities would increase (or decrease) by k€ 66 as on March 31, 2016 (March 31, 2015: k€ 467). 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€ 2,815 as on March 31, 2016 (March 31, 2015: k€ 3,979), while liabilities would decrease (or increase) by k€ 9,817 as on March 31, 2016 (March 31, 2015: k€ 3,963). Net impact on Income statement will be gain / (loss) of k€ 7,002 as on March 31, 2016 (March 31, 2015: k€ 16). 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, 2016			
Foreign Currency Receivables	32,031	10,700	102,895
Foreign Currency Liabilities	111,698	3,575	1,238
March 31, 2015			
Foreign Currency Receivables	42,693	10,807	83,495
Foreign Currency Liabilities	42,523	5,197	2,667

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.

All amounts in Euro'000, unless otherwise stated

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.

	March 31, 2016	**March 31, 2015**
Total equity	404,142	335,402
Total equity	**404,142**	**335,402**
in % of total capital	**45%**	**46%**
Non-current financial liabilities [1]	600,864	514,198
Current financial liabilities [2]	93,611	71,141
Total Debt	**694,475**	**585,339**
Less : Cash & Cash Equivalents	(192,518)	(184,144)
Debt (Net)	**501,957**	**401,195**
in % of total capital	**55%**	**54%**
Total capital as defined for capital management purposes	**906,099**	**736,597**

[1]Non-current financial liabilities include borrowings as on March 31, 2016 of k€ 594,389 (March 31, 2015: k€ 503,262), finance lease liabilities as on March 31, 2016 of k€ 6,475 (March 31, 2015: k€ 10,936).

[2]Current financial liabilities include borrowings as on March 31, 2016 of k€ 86,714 (March 31, 2015: k€ 63,396), finance lease liabilities as on March 31, 2016 of k€ 6,897 (March 31, 2015: k€ 7,745).

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.6.3.13 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, 2016 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.6.6.5 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, 2016	March 31, 2015
Not later than one year	28,562	8,832
After one year but not more than five years	50,682	18,029
More than five years	20,724	2,247
Total	**99,968**	**29,108**

During the year, k€ 43,462 (March 31, 2015 : k€ 10,051) 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, 2016	March 31, 2015
Future minimum payments due:		
Not later than one year	7,380	8,440
After one year but not more than five years	6,130	10,378
More than five years	1,008	1,329
	14,518	**20,147**
Less finance charges allocated to future periods	1,146	1,466
Present value of future minimum lease payments	**13,372**	**18,681**
Current	6,897	7,745
Non-current	6,475	10,936
	13,372	**18,681**
Present value of future minimum lease payments		
Not later than one year	6,898	7,745
After one year but not more than five years	5,542	9,734
More than five years	932	1,202
	13,372	**18,681**

A.6.6.6 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 (36.93%) 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.

Terms and conditions

Transactions relating to sales and purchase of goods with related parties during the year are based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at market rates.

There is no allowance account for impaired receivables in relation to any outstanding balances, and no expense has been recognised in respect of impaired receivables due from related parties. Outstanding balances are unsecured and are repayable in cash.

All amounts in Euro'000, unless otherwise stated

Details of related party transactions

	Year ended March 31, 2016					
	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	1,007	-	1,094	4,986	-	7,087
Purchases	31,209	10	38,362	42,548	-	112,129
Miscellaneous expenses	75	3,058	3,925	438	35	7,531
Loans given	-	41	130	-	-	171
Repayment of loans taken	-	-	203	-	-	203
Loans received back	-	8	269	-	-	277
Rental income	-	-	21	8	-	29
Purchase of assets	118	1,926	171	32	-	2,247
Miscellaneous income	1,557	134	1,053	879	135	3,758

Details of related party balances

	As at March 31 2016					
	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	-	1,108	1,272	130	-	2,510
Trade receivables	433	622	161	1,006	80	2,302
Other payables	4,900	1,775	9,295	3,768	33	19,771
Loans and deposits receivable	-	-	-	-	-	-

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

A.6.6.7 Business combination

Acquisition of Scherer & Trier group (in administration):

During the year ended March 31, 2015, 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. As a result of the acquisition, bargain gain of k€ 13,329 was recognised in other income for the year ended March 31, 2015.

A.6.7 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 property, plant and equipment (see A.6.3.1 and A.6.3.2).
- Valuation of customer and engineering agreements as well as technology and property, plant and equipment, particularly with regard to their underlying cash flow forecasts and discount rates (see A.6.3.1 and A.6.3.2).
- 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.6.3.8.1).

- 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.6.3.15 and A.6.5).
- 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.6.3.11).
- 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).

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

During the month of May 2016, one of the Company's subsidiary SMR Poong Jeong Automotive Mirrors Korea Limited bought back 81,660 shares from its minority shareholder against a consideration of KRW 12 billion (equivalent to Euro 9.2 million). Pursuant to this transaction, this subsidiary has become a 100% subsidiary of Samvardhana Motherson Reflectec Group Holdings Limited, Jersey and of the Company.

Signing of the financial statements

Mr. Jacob Meint Buit
(Managing Director)
Amsterdam, May 27, 2016

Mr. Randolph Marie Thaddeus De Cuba
(Managing Director)
Amsterdam, May 27, 2016

Mr. Laksh Vaaman Sehgal
(Managing Director)
Amsterdam, May 27, 2016

Mr. Andreas Heuser
(Managing Director)
Amsterdam, May 27, 2016

Signing of the financial statements

Mr. Cezary Zawadzinski
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. Bimal Dhar
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. Kunal Malani
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. G.N. Gauba
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. Vivek Chaand Sehgal
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Samvardhana Motherson
Automotive Systems
Group BV

Samvardhana Motherson Automotive Systems Group BV
Standalone Financial Statements
For the year ended March 31, 2016

B. STANDALONE FINANCIAL STATEMENTS

B.1 Statement of Financial Position

	Note	March 31, 2016	March 31, 2015
Assets			
Investments in subsidiaries	**B.6.3.2**	1,045,782,336	1,008,182,336
Other receivables and assets		1,117,783	-
Other financial assets	**B.6.3.3**	425,723,543	306,284,443
Non-current assets		**1,472,623,662**	**1,314,466,779**
Receivables from associates		1,613,129	1,492,852
Other receivables and other assets	**B.6.3.4**	10,354,635	9,975,088
Cash and cash equivalents	**B.6.3.5**	24,360,475	62,569,337
Current assets		**36,328,239**	**74,037,277**
Total assets		**1,508,951,901**	**1,388,504,056**
Equity and liabilities			
Subscribed capital	**B.5**	66,176	66,176
Share premium	**B.5**	900,909,907	900,909,907
Retained earnings	**B.5**	(15,564,818)	(10,217,160)
Equity		**885,411,265**	**890,758,923**
Financial liabilities	**B.6.3.6**	585,723,045	485,525,074
Non-current liabilities		**585,723,045**	**485,525,074**
Financial liabilities	**B.6.3.6**	28,700,000	3,500,000
Trade payable		675,777	2,691,055
Other liabilities	**B.6.3.7**	8,441,814	6,029,004
Current liabilities		**37,817,591**	**12,220,059**
Liabilities		**623,540,636**	**497,745,133**
Total equity and liabilities		**1,508,951,901**	**1,388,504,056**

The notes on pages 132 to 158 are an integral part of these financial statements.

B.2 Income Statement

	Notes	Year ended March 31, 2016	Year ended March 31, 2015
Service income	**B.6.4.1**	**3,191,439**	**2,504,224**
Other operating Income	**B.6.4.2**	531,056	283,040
Cost of services		(3,991,775)	(3,485,716)
Personnel expenses	**B.6.4.3**	(55,929)	-
Other operating expenses	**B.6.4.4**	(3,191,147)	(2,680,793)
Result from operating activities		**(3,516,356)**	**(3,379,245)**
Finance income	**B.6.4.5**	27,157,176	22,581,885
Finance costs	**B.6.4.5**	(28,988,478)	(21,753,717)
Finance costs – net		**(1,831,302)**	**828,168**
Earnings Before Taxes (EBT)		**(5,347,658)**	**(2,551,077)**
Income taxes	**B.6.4.6**	-	830,896
Loss for the year		**(5,347,658)**	**(1,720,181)**

The notes on pages 132 to 158 are an integral part of these financial statements.

B.3 Statement of Comprehensive Income

	Year ended March 31, 2016	Year ended March 31, 2015
Loss for the year after tax:	**(5,347,658)**	**(1,720,181)**
Other comprehensive income / (loss):	**-**	**-**
- Items that will not be reclassified to Profit & Loss		
Remeasurement of post-employment benefits	-	-
Deferred tax on re-measurement gain /(loss)	-	-
- Items that may be subsequently classified to Profit & Loss		
Exchange differences on translating foreign operations	-	-
Total comprehensive income for the year	**(5,347,658)**	**(1,720,181)**

The notes on pages 132 to 158 are an integral part of these financial statements.

B.4 Cash Flow Statement

	Note	Year-ended March 31, 2016	Year-ended March 31, 2015
CASH FLOW FROM OPERATING ACTIVITIES			
Earnings before taxes	**B.2**	**(5,347,658)**	**(2,551,077)**
Finance costs – net (excluding foreign exchange loss)	**B.6.4.5**	(1,757,037)	(458,215)
Other non-cash related adjustments		2,486,864	2,793,526
Foreign currency translation loss /(gain)		1,054,512	(3,446,518)
Net earnings before changes in working capital		**(3,563,319)**	**(3,662,284)**
Change in working capital			
Increase in receivables from associates		(120,278)	(267,846)
Increase in other receivables and assets		(1,414,910)	(377,579)
(Decrease)/Increase in trade payables		(2,015,277)	814,386
Decrease in other liabilities		(521,455)	(962,365)
Cash flow from operating activities before income tax		**(7,635,239)**	**(4,455,688)**
Income tax paid		-	-
Cash flow from operating activities (A)		**(7,635,239)**	**(4,455,688)**
CASH FLOW FROM INVESTING ACTIVITIES			
Investment in subsidiaries		(37,600,000)	(42,759,400)
Cash flow from investing activities (B)		**(37,600,000)**	**(42,759,400)**
CASH FLOW FROM FINANCING ACTIVITIES			
Loans given to subsidiaries		(410,999,089)	(566,240,499)
Repayment of loan given to subsidiaries		290,741,521	304,055,670
Proceeds from long term borrowings		97,711,106	483,855,133
Repayment of long term borrowings		-	(86,381,991)
Repayment of short term borrowings (net of receipts)		25,200,000	(23,191,591)
Interest received		27,062,351	9,474,812
Interest paid		(22,513,532)	(14,001,889)
Cash flow from financing activities (C)		**7,202,357**	**107,569,645**
Changes in cash and cash equivalents (A+B+C)		(38,032,882)	60,354,557
Cash and cash equivalents at beginning of period	**B.6.3.5**	62,569,337	1,924,710
Variation in cash and cash equivalents from translation in foreign currencies		(175,980)	290,070
Cash and cash equivalents at end of year	**B.6.3.5**	**24,360,475**	**62,569,337**

The notes on pages 132 to 158 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 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**
As at April 01, 2015	**66,176**	**900,909,907**	**(10,217,160)**	**890,758,923**
Comprehensive income				
Loss for the year	-	-	(5,347,658)	(5,347,658)
Total comprehensive income	**-**	**-**	**(5,347,658)**	**(5,347,658)**
Transactions with owners				
Shares issued during the year	-	-	-	-
As at March 31, 2016	**66,176**	**900,909,907**	**(15,564,818)**	**885,411,265**

The notes on pages 132 to 158 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 (hereafter referred as "Company" or "SMRP BV") is a private company with limited liability, incorporated under the laws of the Netherlands on 7 October 2011, having its corporate seat at Amsterdam, with offices at Hoogoorddreef 15, 1101 BA 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, 2015 to March 31, 2016.

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 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 May 27, 2016.

B.6.2.3 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.6.2.4 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.6.2.5 Investments in subsidiaries

Subsidiaries are entities over which the Company has control. The Company controls an entity when the Company 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. 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 is based on estimated future cash flows, discounted at an appropriate interest rate. Impairments, if any, are reported in the income statement.

B.6.2.6 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 financial assets 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 Company 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.6.2.7 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.6.2.8 Receivable from associates

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.6.2.9 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.6.2.10 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.6.2.11 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.6.2.12 Recognition of income and expenses

Service Income is income generated from services provided to associated companies based on service level agreements.

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 using effective interest method as per the rate of interest mentioned in the loan agreements.

B.6.2.13 Changes in accounting policies and disclosures

During the financial year ended March 31, 2016, below mentioned amendments to IFRS became applicable to the company, however these did not have any impact on the net asset, financial or income position of the Group

- *Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)*
- *Annual Improvements to IFRSs 2010 – 2012 Cycle*
- *Annual Improvements to IFRSs 2011 – 2013 Cycle*
- *IFRIC Interpretation 21 Levies*

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 Company 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 Company:

	Adoptions for reporting periods that begin on or after the specified date (in accordance with EU endorsement)
Accounting for Acquisition of Interests in Joint Operations (Amendments to IFRS 11)	January 01, 2016
Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to IAS 16 and IAS 38)	January 01, 2016
Amendments to IAS 1: Disclosure Initiative	January 01, 2016
Annual Improvements to IFRSs 2012–2014 Cycle	January 01, 2016
Amendments to IAS 27: Equity Method in Separate Financial Statements	January 01, 2016
Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses	Not yet endorsed
Amendments to IAS 7: Disclosure Initiative	Not yet endorsed
Clarifications to IFRS 15 Revenue from Contracts with Customers	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

At this stage, the company is not able to estimate the impact of the new rules on the group's financial statements. The company will make more detailed assessments of the impact over the next twelve months. 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 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**
Add: Issued during the year	-	-
As at March 31, 2016	**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.

B.6.3.1.1 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 company'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, 2016
Equity in accordance to the consolidated financial statements	404,142,424
Add: negative net asset values of consolidated subsidiary companies	73,789,340
Add: not realised cumulative intercompany results	407,479,501
Equity in accordance to the company financial statements	**885,411,265**

B.6.3.1.2 Difference in results

	Year ended March 31, 2016
Result for the year in accordance to the consolidated financial statements	76,146,456
Result of consolidated subsidiary companies	(107,106,861)
Results on Intercompany transactions	25,612,747
Result for the year in accordance to the company financial statements	**(5,347,658)**

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 March 31, 2014	**58,313,743**
Investments during the year	949,868,593
At March 31, 2015	**1,008,182,336**
Investments during the year	37,600,000
At March 31, 2016	**1,045,782,336**

B.6.3.2.1 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, 2016	March 31, 2015
Samvardhana Motherson Reflectec Group Holdings Limited	98.45%	905,716,083	905,716,083
Samvardhana Motherson Peguform GmbH	100.00%	3,804,191	3,804,191
SMP Automotive Interiors (Beijing) Co. Ltd	100.00%	6,000,000	1,400,000
SMP Automotive Technology Ibérica, S.L.	100.00%	130,261,742	97,261,742
SMP Automotive Systems México, S. A. de C. V.	00.00%	320	320
Total		**1,045,782,336**	**1,008,182,336**

B.6.3.2.2 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, 2016 there were no indications of decline in the recoverable value and hence no impairment loss needs to be recognised in the financial statements.

B.6.3.2.3 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.6.3.2.4 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 assets

	March 31, 2016	March 31, 2015
Non-current		
Loans to subsidiaries	425,723,543	306,284,443
Total	**425,723,543**	**306,284,443**

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 risk of the relevant subsidiary and are repayable on or before March 31, 2018.

B.6.3.4 Other receivables and assets

	March 31, 2016	March 31, 2015
Interest receivable from subsidiaries	9,548,129	9,465,708
Prepaid expenses	363,216	2,824
Others	443,290	506,556
Total	**10,354,635**	**9,975,088**

The carrying values approximately correspond to the fair values.

B.6.3.5 Cash and cash equivalents

	March 31, 2016	March 31, 2015
Cash at bank	24,360,475	62,569,337
Total	**24,360,475**	**62,569,337**

There are no contractual or other restrictions on the use of cash and cash equivalents.

B.6.3.6 Financial liabilities

	March 31, 2016	March 31, 2015
Non-current financial liabilities		
Senior secured notes (at amortized cost)	585,723,045	485,525,074
Total non-current financial liabilities	**585,723,045**	**485,525,074**
Current financial liabilities		
Loans from related parties	28,700,000	3,500,000
Total current financial liabilities	**28,700,000**	**3,500,000**

The senior secured notes of nominal value € 500 million carry a coupon of 4.125% annually and mature on July 15, 2021.
The senior secured notes of nominal value € 100 million carry a coupon rate of 3.70% annually and mature on June 18, 2025
Loans from related parties are unsecured and carry an interest rate of 1.70% per annum.

For details on security and repayment, refer Note B.6.5.2.

B.6.3.7 Other liabilities

	March 31, 2016	March 31, 2015
Interest and commitment fee on borrowings	7,436,341	4,566,658
VAT payable	343,001	162,204
Accruals	299,987	919,327
Other payables	362,485	380,815
Total	**8,441,814**	**6,029,004**

The other liabilities are considered predominantly short term in nature.

B.6.4 Disclosures regarding the Income Statement

B.6.4.1 Service income

	Year ended March 31, 2016	Year ended March 31, 2015
Management Services	422,602	1,315,745
Accounting Services	27,423	34,009
Internal audit	189,405	-
General Services	2,552,009	1,154,470
Total	**3,191,439**	**2,504,224**

B.6.4.2 Other operating income

	Year ended March 31, 2016	Year ended March 31, 2015
Reversal of excess provisions	531,056	-
Foreign exchange gain (net)	-	283,040
Total	**531,056**	**283,040**

B.6.4.3 Personnel expenses

	Year ended March 31, 2016	Year ended March 31, 2015
Wages and salaries	23,441	-
Social security costs	18,793	-
Other expenses	13,695	-
Total	**55,929**	**-**

B.6.4.4 Other operating expenses

	Year ended March 31, 2016	Year ended March 31, 2015
General and administration expenses	779,403	241,800
Auditors remuneration	544,773	736,178
Foreign exchange loss (net)	221,340	-
Legal & professional expenses	1,645,631	1,702,815
Total	**3,191,147**	**2,680,793**

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

	Year ended March 31, 2016	Year ended March 31, 2015
Audit of the financial statements	544,773	736,178
Total	**544,773**	**736,178**

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 excluding VAT related to services provided by PwC Accountants N.V. totalled € 190,000 (March 31, 2015: € 175,000).

B.6.4.5 Financial costs and income

	Year ended March 31, 2016	Year ended March 31, 2015
Interest Income	27,157,176	18,231,211
Foreign exchange gain	-	4,350,674
Total finance income	**27,157,176**	**22,581,885**
Foreign exchange losses	833,169	1,187,195
Interest expense on borrowings	28,155,309	20,566,522
Total finance expenses	**28,988,478**	**21,753,717**

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

B.6.4.6 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.

The income tax credit/expense comprises the following:

	Year ended March 31, 2016	Year ended March 31, 2015
Current tax expense	-	(550,000)
Deferred tax expense /(credit)	-	(280,896)
Total	**-**	**(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, 2016	Year ended March 31, 2015
Earnings before tax	(5,347,658)	(2,551,077)
Tax on losses	(1,336,914)	(637,769)
Deferred tax asset not recognised on loss	1,336,914	87,769
Deferred tax on deductible temporary differences	-	(280,896)
Tax benefit	**-**	**(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	1,842,249
March 31, 2025	5,347,658
Total unused tax losses	**11,323,974**

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, 2016**	**Measurement according to IAS 39**		**Fair Value March 31, 2016**	**Not in Scope**
			Amortised cost	**At fair value**		
Assets						
Other financial instruments	LaR	425,723,543	425,723,543	-	425,723,543	-
Receivables from associates	LaR	1,613,129	1,613,129	-	1,613,129	-
Other receivables and other assets	LaR	10,354,635	9,991,420	-	9,991,420	363,215
Cash and cash equivalents	LaR	24,360,475	24,360,475	-	24,360,475	-
Liabilities						
Financial liabilities (non-current)	FLAC	585,723,045	585,723,045	-	585,723,045	-
Financial liabilities (current)	FLAC	28,700,000	28,700,000	-	28,700,000	-
Trade payable	FLAC	675,777	675,777	-	675,777	-
Other liabilities	FLAC	8,441,814	7,798,826	-	7,798,826	642,988
Thereof: aggregated by category according to IAS 39						
Loans and Receivables (LaR)		**462,051,782**	**461,688,567**	**-**	**461,688,567**	**363,215**
Financial liabilities measured at amortised cost (FLAC)		**623,540,636**	**622,897,648**	**-**	**622,897,648**	**642,988**

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	-
Receivables from associates	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	-	485,525,074	-
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**	**-**	**496,663,602**	**1,081,531**

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

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

	Year ended March 31, 2016	Year ended March 31, 2015
Income from loans to subsidiaries	27,157,176	18,231,211
Expenses on financial liabilities measured at amortised cost	28,155,309	20,566,522

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

a. Issue of senior secured notes on July 15, 2014

During the year ended March 31, 2015, the Company issued Euro 500,000,000 4.125% Senior Secured Notes due 2021 (the "2021 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 2021 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 2021 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 2021 Notes by paying 100% of the principal amount of such 2021 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 2021 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 2021 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.

As at March 31, 2016 these bonds were trading at 98.249% (March 31, 2015 : 102.397%)

b. Issue of senior secured notes on June 18, 2015

During the year ended March 31, 2016, the Company issued Euro 100,000,000 3.70% Senior Secured Notes due 2025 (the "2025 Notes"). The 2025 Notes bear interest at a rate of 3.70% payable annually on June 18 of each year and will mature on June 18, 2025. The 2025 Notes are listed on the Irish Stock Exchange and trade on the Global Exchange Market of the Exchange.

The 2025 Notes carry a prepayment option and as per the terms of the indenture the Company may at any time on or after June 18, 2025, redeem all or a portion of the Notes by paying 100% of the principal amount of such Notes, plus accrued and unpaid interest, if any, plus a “make-whole” premium. In addition, prior to June 18, 2025, the Company may redeem, at its option, up to 35% of the Notes with the net proceeds from certain equity offerings.

The 2025 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 2021 Notes and the Revolving Credit Facilities. The 2025 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 2025 Notes was utilized, after meeting initial notes issue expenses, for general corporate purposes, including to make certain capital expenditures amounting to € 96.0 million.

As at March 31, 2016 these bonds were trading at 86.25%.

c. Revolving credit facility

The Company also entered into a new Revolving Credit Facility Agreement with a consortium of banks around the date of issue of the 2025 Notes in order to replace the earlier Revolving Facility Agreement entered into during financial year ended March 31, 2015. 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 €350.0 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. Tranche A of the Revolving Facility Agreement amounting to € 250.0 million matures in 2020 and Tranche B of the Revolving Facility Agreement amounting to € 100.0 million matures in 2018.

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 to the Company due to counterparty's failure to honour its obligations.

Credit risk arises from cash and cash equivalents, trade and other receivables, loan to subsidiaries. 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 as well.

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, 2016							
Receivables from associates	1,613,129	(9,282)	-	226,629	268,798	756,672	370,312
Cash and cash equivalents	24,360,475	24,360,475	-	-	-	-	-
Interest receivable from subsidiaries	9,548,129	-	7,727,860	-	370,175	-	1,450,094
Other receivables	443,290	438,290	-	-	-	5,000	-
March 31, 2015							
Receivables from associates	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	-

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 Company presented on a gross and undiscounted basis and include estimated interest payments and exclude the impact of netting arrangements:

Financial Liabilities	March 31, 2016			
	Less Than 1 Year	1 to 5 years	More than 5 years	Total
Financial liabilities (non-current)	24,325,000	97,300,000	628,812,500	**750,437,500**
Financial liabilities (current)	28,700,000	-	-	**28,700,000**
Trade payable	675,777	-	-	**675,777**
Other liabilities	525,770	-	-	**525,770**
Total	**54,226,547**	**97,300,000**	**628,812,500**	**780,339,0487**

Financial Liabilities	March 31, 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**

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 Company 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 € 873,885 as on March 31, 2016 and if it were to decrease by 10%, receivables would decrease by € 794,441. Net impact on equity would be gain of € 873,885 and a loss of € 794,441 in the mentioned two conditions. There is no financial instrument in place within the Company 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, 2016	March 31, 2015
Foreign currency receivables	9,943,064	18,847,772

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 Company 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, 2016	March 31, 2015
Shareholders' equity	885,411,265	890,758,923
Shareholders' equity	**885,411,265**	**890,758,923**
in % of total capital	**60%**	**67%**
Non-current financial liabilities	585,723,045	485,525,074
Current financial liabilities	37,174,603	11,138,528
Total Debt	**622,897,648**	**496,663,602**
Less : Cash & Cash Equivalents	(24,360,475)	(62,569,337)
Debt (Net)	**598,537,173**	**434,094,265**
in % of total capital	**40%**	**33%**
Total capital as defined for capital management purposes	**1,483,948,938**	**1,324,853,188**

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, 2016 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 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 Company.

SMIL is owned by Mr. V.C. Sehgal and family. SMIL holds an equity interest (36.93%) 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.

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 March 31, 2016				
	Substantial shareholders/ Holding Company	Fellow Subsidiaries	Subsidiaries	Entities in which KMP hold significant influence	Total
Interest income	-	-	27,157,176	-	27,157,176
Receipt of services	140,417	-	3,851,358	-	3,991,775
Legal and professional expenses	-	-	815,103	-	815,103
Interest expense	-	-	40,451	-	40,451
General administration expenses	9,752	-	28,956	35,366	74,074
Miscellaneous expenses	130,087	-	-	-	130,087
Loans advanced	-	-	566,240,499	-	566,240,499
Loans received back	-	-	304,055,670	-	304,055,670
Loans obtained	-	-	40,200,000	-	40,200,000
Loans repaid	-	-	11,500,000	-	11,500,000

	Year ended March 31, 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

B.6.5.5.2 Details of related party balances

	As at March 31, 2016				
	Substantial shareholders/ Holding Company	Fellow Subsidiaries	Subsidiaries	Entities in which KMP hold significant influence	Total
Receivables from associates	-	-	1,613,129	-	1,613,129
Interest receivable	-	-	9,548,129	-	9,548,129
Trade payables	96,895	-	682,328	-	779,223
Interest payable	-	-	54,086	-	54,086
Loan payable	-	-	28,700,000	-	28,700,000
Loans receivable	-	-	425,723,543	-	425,723,543

	As at March 31, 2015				
	Substantial shareholders/ Holding Company	Fellow Subsidiaries	Subsidiaries	Entities in which KMP hold significant influence	Total
Receivables from associates	-	-	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

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:

- Impairment of financial fixed assets:

The company uses its judgement to perform the impairment testing on the bases of estimated discounted future cash flows. 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. Jacob Meint Buit
(Managing Director)
Amsterdam, May 27, 2016

Mr. Randolph Marie Thaddeus De Cuba
(Managing Director)
Amsterdam, May 27, 2016

Mr. Laksh Vaaman Sehgal
(Managing Director)
Amsterdam, May 27, 2016

Mr. Andreas Heuser
(Managing Director)
Amsterdam, May 27, 2016

Signing of the financial statements

Mr. Cezary Zawadzinski
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. Bimal Dhar
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. Kunal Malani
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. G.N. Gauba
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Mr. Vivek Chaand Sehgal
(Member of Supervisory Board)
Amsterdam, May 27, 2016

Independent auditor's report

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

Report on the financial statements for the year ended 31 March 2016

Our opinion

In our opinion the accompanying financial statements give a true and fair view of the financial position of Samvardhana Motherson Automotive Systems Group B.V. as at 31 March 2016, 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 (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements for the year ended 31 March 2016 of Samvardhana Motherson Automotive Systems Group B.V., Amsterdam ('the Company'). The financial statements include the consolidated financial statements of Samvardhana Motherson Automotive Systems Group B.V. and its subsidiaries (together: 'the Group') and the company financial statements.

The financial statements comprise:

- the consolidated and company statement of financial position as at 31 March 2016;
- the following statements for the year ended 31 March 2016: the consolidated and company income statement, the consolidated and company statements of comprehensive income, changes in equity and cash flows;
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the section 'Our responsibilities for the audit of the financial statements' of our report.

Ref.: e0380570

We are independent of Samvardhana Motherson Automotive Systems Group B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assuranceopdrachten' (ViO) and other relevant independence requirements in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA).

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

Responsibilities of the directors and the supervisory board

The directors are responsible for:

- the preparation and fair presentation of the financial statements in accordance with EU-IFRS 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; and for
- such internal control as the directors determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the directors should prepare the financial statements using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so. The directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our audit opinion aims to provide reasonable assurance about whether the financial statements are free from material misstatement. Reasonable assurance is a high but not absolute level of assurance which makes it possible that we may not detect all misstatements. Misstatements may arise due to fraud or error. They are considered to be material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A more detailed description of our responsibilities is set out in the appendix to our report.

Report on other legal and regulatory requirements

Our report on the directors' report and the other information

Pursuant to the legal requirements of Part 9 of Book 2 of the Dutch Civil Code (concerning our obligation to report about the directors' report and the other information):

- 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 by Part 9 of Book 2 of the Dutch Civil Code has been annexed.
- We report that the directors' report, to the extent we can assess, is consistent with the financial statements.

Rotterdam, 27 May 2016
PricewaterhouseCoopers Accountants N.V.

Original has been signed by W.C. van Rooij RA

Appendix to our auditor's report on the financial statements for the year ended 31 March 2016 of Samvardhana Motherson Automotive Systems Group B.V.

In addition to what is included in our auditor's report we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. Our audit consisted, among others of the following:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the intentional override of internal control.
- Obtaining an understanding of internal control relevant to the audit 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.
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concluding on the appropriateness of the directors' use of the going concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the company's consolidated financial statements we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

We communicate with the supervisory board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.