



Mahindra

Rise.

February, 2012

India - Fast, Sustained and Stable Growth Story

- GDP growth

F10 – **8.4%**

F11 - **8.4%**

F12E – **6.9%** <GOI's first GDP estimate for FY12>

- An exponential increase in the consumer class
- Maturing Economy

Shift from Agriculture & Manufacturing to Services

Stable: Forex reserves at US\$ 293.75 billion *(As on Feb. 3, 2012– RBI)*

The Indian Story

Recent Developments

Positives

- 2011 Rainfall 102% of LPA
 - Best in last 5 years in terms of Spatial Distribution
 - Food grain production at all time high
- National Manufacturing policy – a positive development
- Political stability

Concerns

- Steadily deteriorating global macro environment
- Policy inaction
- Slowing growth
- Business confidence

Mahindra Group : A USD 14.4 bn Conglomerate with interests across the economic spectrum



Mahindra Group

Business Leadership

- Market leader in Utility Vehicles in India
- Market leader in Agricultural Tractors in India.
 - Number One global manufacturer (Single legal entity)
- Mahindra Finance : Leader in rural financing
- Tech Mahindra : Leader in Telecom Software
- Mahindra Holidays : Leader in ‘Time Share’

“Mahindra” - amongst India’s most innovative companies

*- Robert Tucker, Innovation Guru & President of The Innovation Resource (TIR)
June 2011*

Mahindra & Mahindra Ltd.

Company at a Glance

Equity Structure	26.9% Promoter & Promoter Group, 73.1% Public (35.9% Foreign) <i>As at Sept 30, 2011</i>
Gross Revenue	FY11 – US\$5.7 bn, 9MFY12 – US\$ 5.3 bn
Net Profit	FY11 – US\$585 mn, 9MFY12 – US\$ 446 mn
Sales (incl exports), vol.	FY11 4W+3W–364,8341 (27.21%)↑ Tractors–213,653 (22.3%)↑ 9MFY12 4W+3W–305,476 (26.8%)↑ Tractors–173,519 (19.3%)↑
Market Share	FY11 – Passenger UV – 52.6%, Tractors – 41.4% H1FY12 Passenger UV – 56.0%, Tractors – 42.4%
Plants	Auto – 6, Tractors – 6
Manpower	Around 26,000
Subsidiaries	<i>As of Dec. '11</i> – Total – 131, Operational – 70

Financials

For translation of ₹ to US\$ a convenience translation at average of closing exchange rates for 12 months period ended 31st December 2011 has been applied.

Mahindra Group [Six Months ending 30th Sept. 2011]

- **Gross Revenue**

Rs. 29,506 crores (US\$ 6.5 bn)

↑ 31%

- **PAT after Minority Interest**

Rs. 1,344 crores (US\$ 296.8 mn)

↑ 10%

M&M + MVML [Nine Months ending 31st Dec. 2011]

- **Gross Revenue** (*incl. other income*)

Rs.24,609 crores (US\$ 5.3 bn)

↑ 32%

- **Profit after Tax**

Rs. 2,086 crores (US\$ 446 mn)

↑ 10%

- **Operating margin**

13.8%

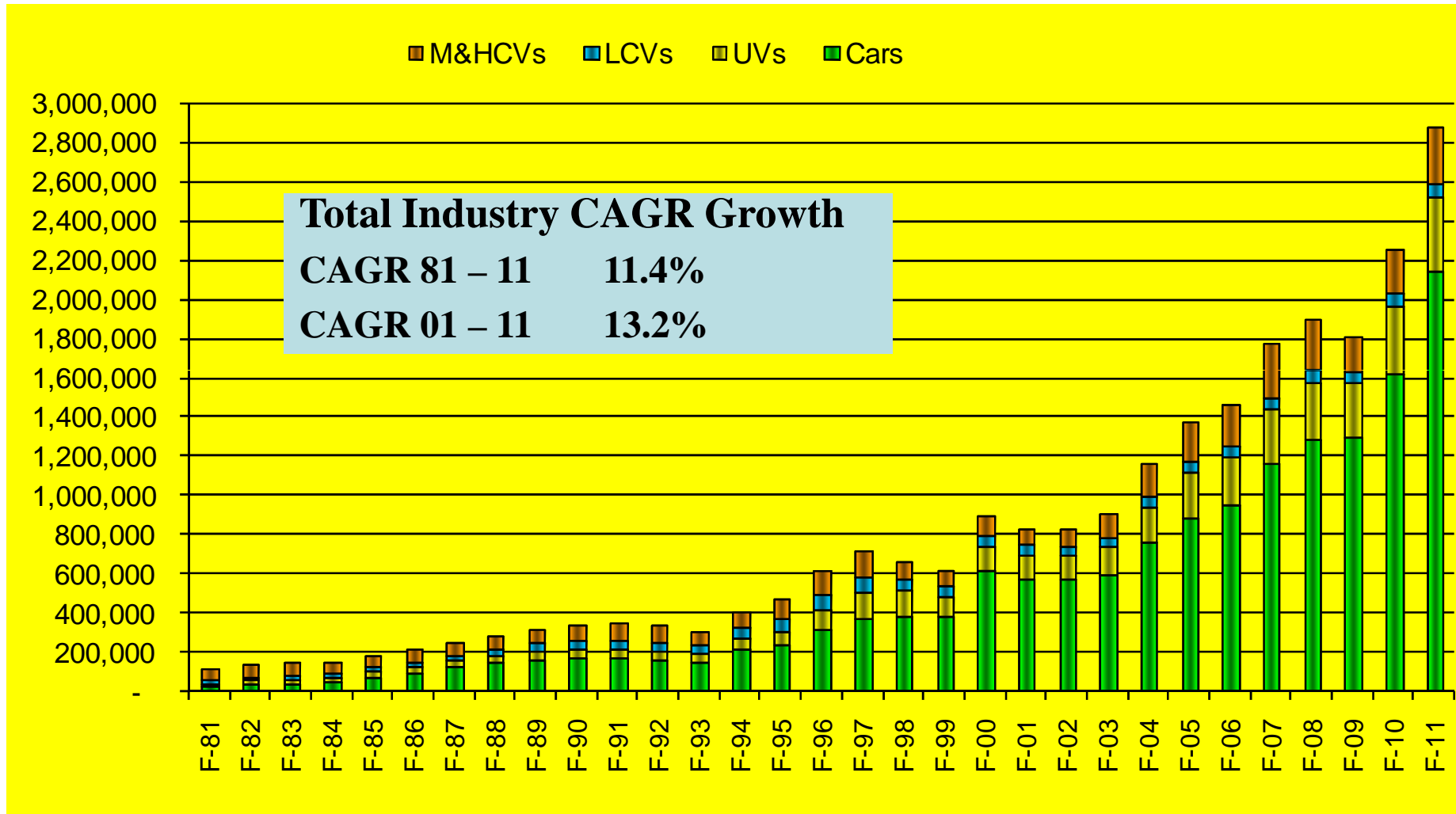
- **Gearing Ratio** [M&M]

Debt : Equity

0.28

Automotive Sector

Indian Auto Industry *Vehicle Sales*



Source : SIAM



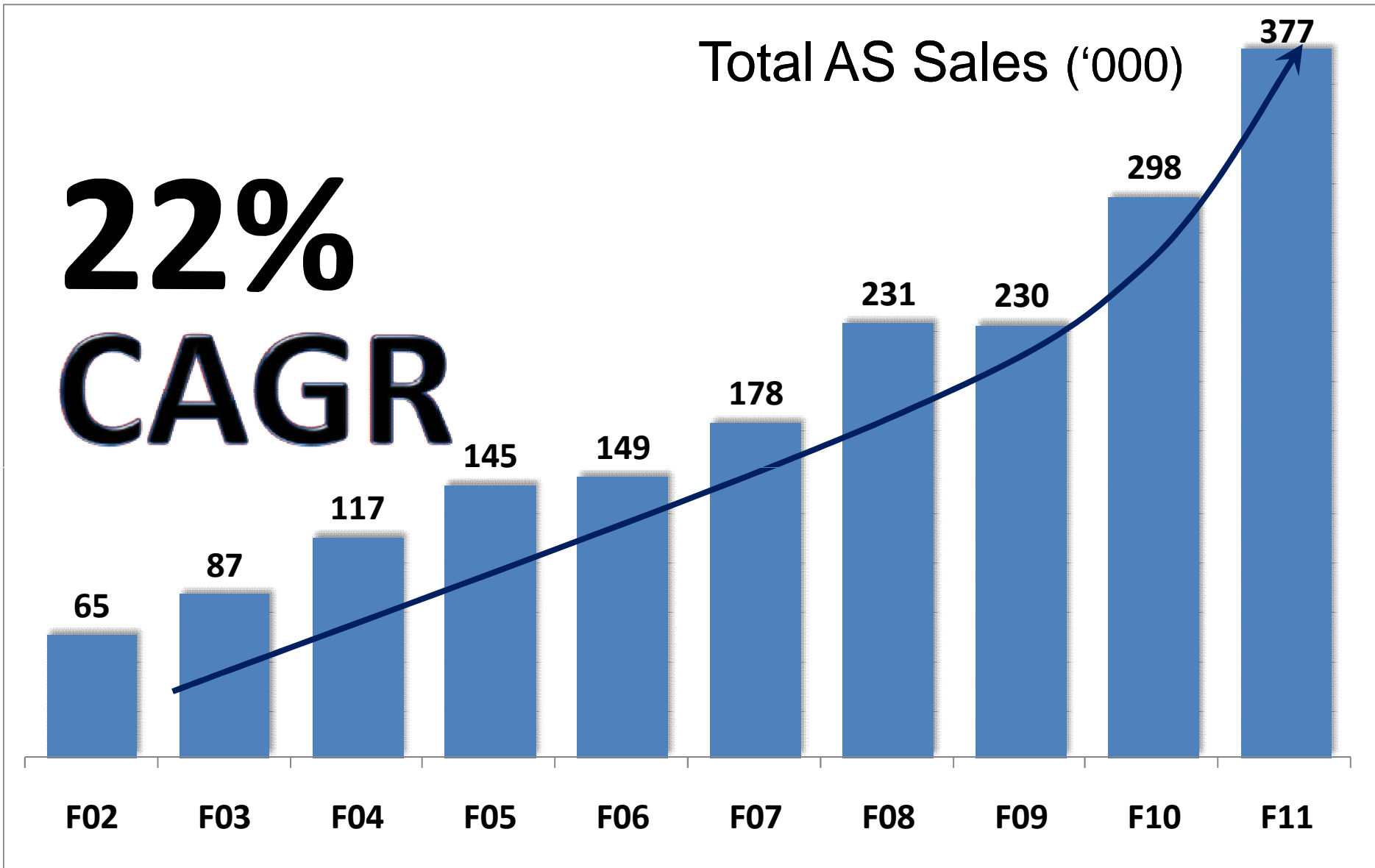
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**Utility
Vehicle
Player in
India**

**M&M Ltd. is the largest utility vehicle company in India,*

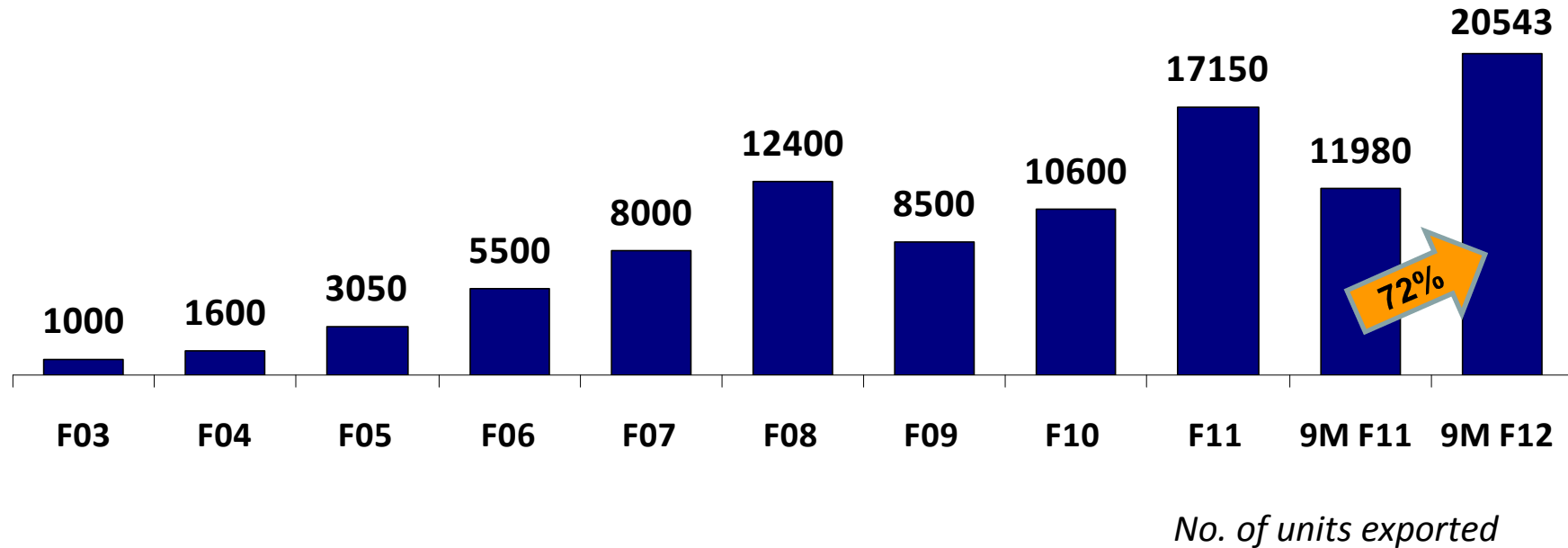


9M – FY12 M&M – Industry Performance

M&M Participating Segments	Industry		M&M			Market Share	
	9M F12	Growth	9M F12	9M F11	Growth		
UVs	256,485	12.7%	143,632	122,527	17.2%	● 56.0%	53.8%
MPVs	168,681	7.7%	18,381	76	NM	10.9%	0.0%
LCV < 2T	180,083	33.5%	39,745	29,625	34.2%	22.1%	22.0%
LCV > 2T and < 3.5T	75,507	30.7%	52,604	44,271	18.8%	69.7%	76.6%
3W	383,101	-0.1%	51,114	44,471	14.9%	13.3%	11.6%
AD Total	1,063,857	10.8%	305,476	240,970	26.8%	● 28.7%	25.1%
LCVs > 3.5T	72,174	13.7%	7,580	8,028	-5.6%	10.5%	12.6%
MHCV (Goods)	211,153	12.2%	1,926	247	NA	0.9%	NA
Cars (Super Compact)	125,781	29.5%	12,915	6,720	NA	10.3%	6.9%
AS (Domestic)	1,472,965	12.5%	327,897	255,965	28.1%	● 22.3%	19.6%
Non Participating	1,286,503	-4.7%					
Total Industry (Dom)	2,759,468	3.8%	327,897	255,965	28.1%	11.9%	9.6%
AD (Exports)			20,543	11,980	● 71.5%		
Logan (Exports)			-	-	NA		
AS Total			348,440	267,945	● 30.0%		

International Markets Outperformance

43 % CAGR (F03 to F11)



New Launches

**XYLO
Refresh**



GENIO DC



NEW BOLERO



**XUV₅₀₀ has
already
bagged 20
awards
since launch
in Oct '11 ...**



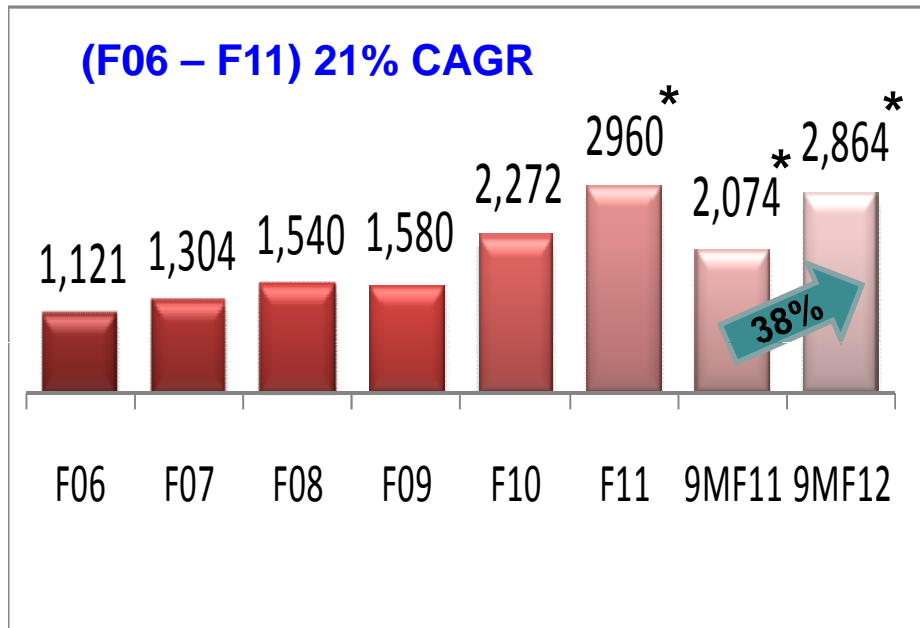
Forthcoming Launches

Products	Time Line
Maximmo – Passenger Van	Q1 FY2013
Compact SUV	Q3 FY2013
Rexton <Ssangyong>	Q3 FY2013
REVA – NXR	Q3 FY2013
Sub 4m Verito	Q4 FY2013

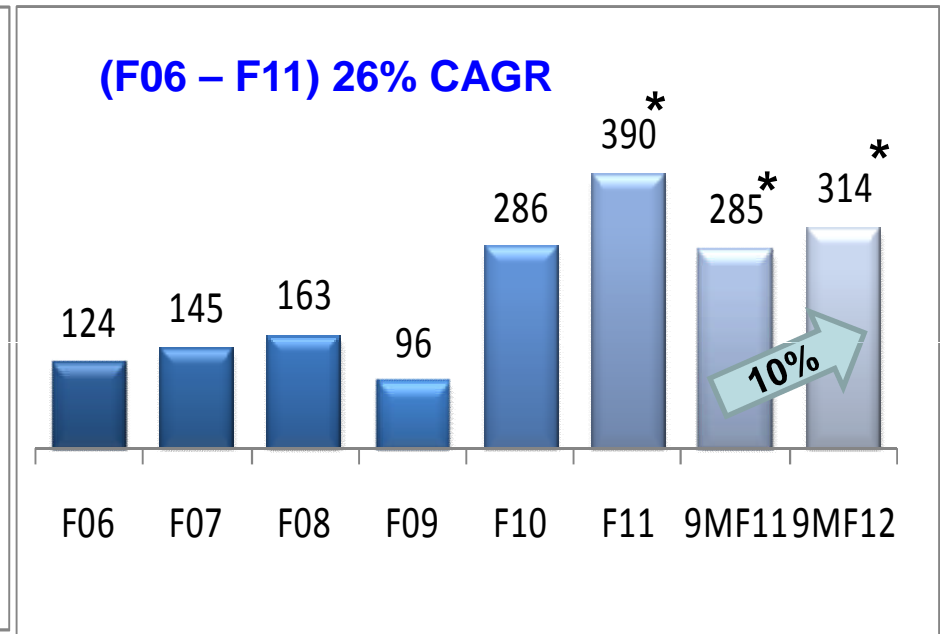
Financial Performance

Automotive Div. + MVML*

USD mn



Segment Revenue



Segment Result

Going Forward...

Key Challenges

- General Sentiment about economy
 - High inflation
 - High financing rates
 - Fall in IIP
- Uncertainty of global environment
 - Volatility of Crude prices
 - Commodity prices
- Fuel price hikes
- Fuel policy of Government
- Currency movements

SIAM F13 Outlook

Segment	F13 Growth
Cars	11 – 13%
UVs	13 – 15%
Vans	10 – 12%
PV Total	11 – 13%
LCV Goods	16-18%
MHCV Goods	5-7%
Passenger Buses*	4 – 6%
Total CV	12 – 14%
2W	11 – 14%
3 W Goods	3 – 5%
3W Passenger	7 - 9%
3W Total	6 – 9%
Auto Total	10 – 12%

Source: SIAM Data

Going Forward...

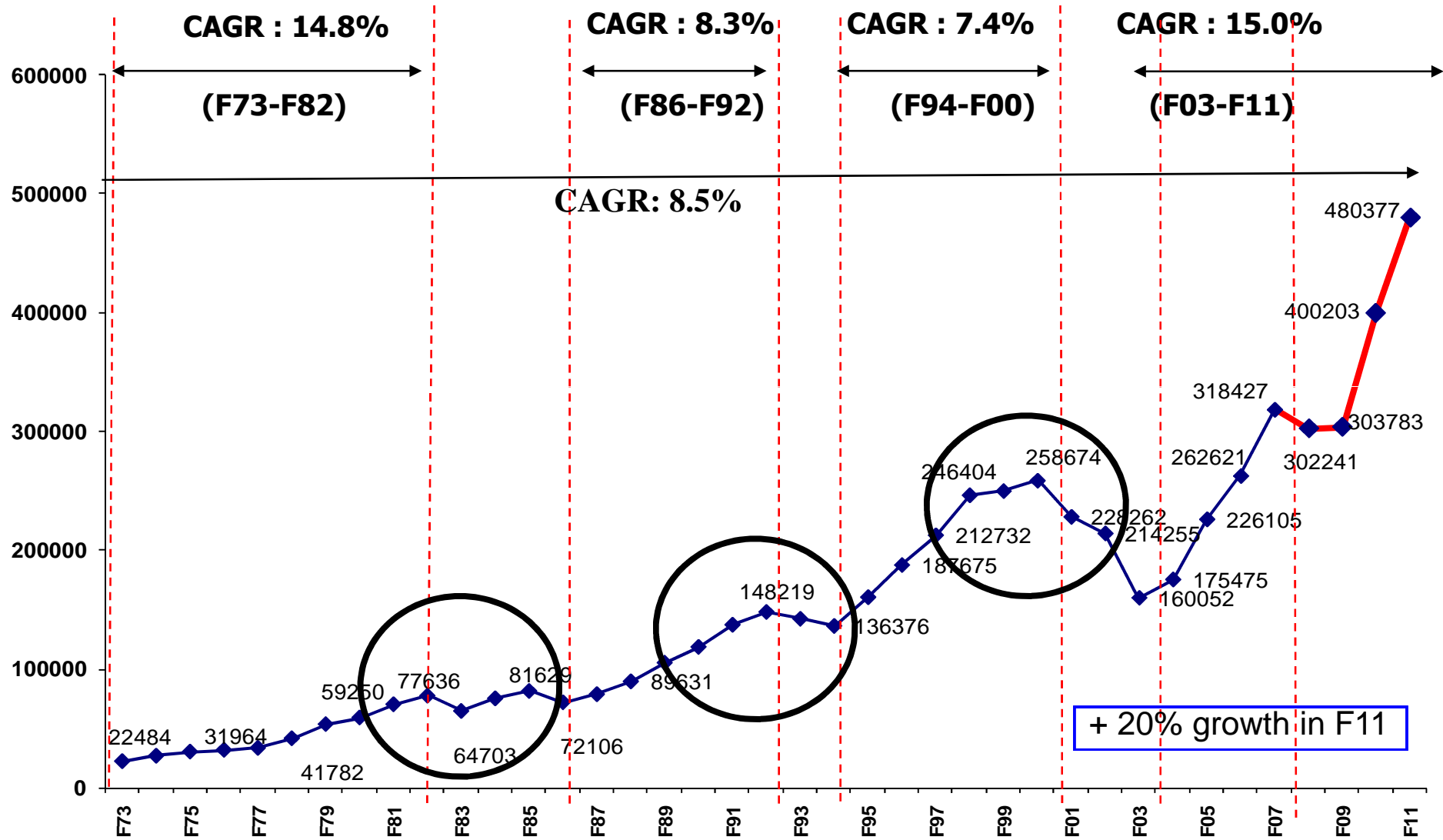
M&M Initiatives - Auto

- New launches
- Synergies with Ssangyong
- Ramp up MHCV
- Mahindra Reva
- Customer satisfaction
- Manage capacities
- Cost management initiatives

Farm Equipment Sector

Domestic Industry Historical Volumes

No. of tractors





No.

1

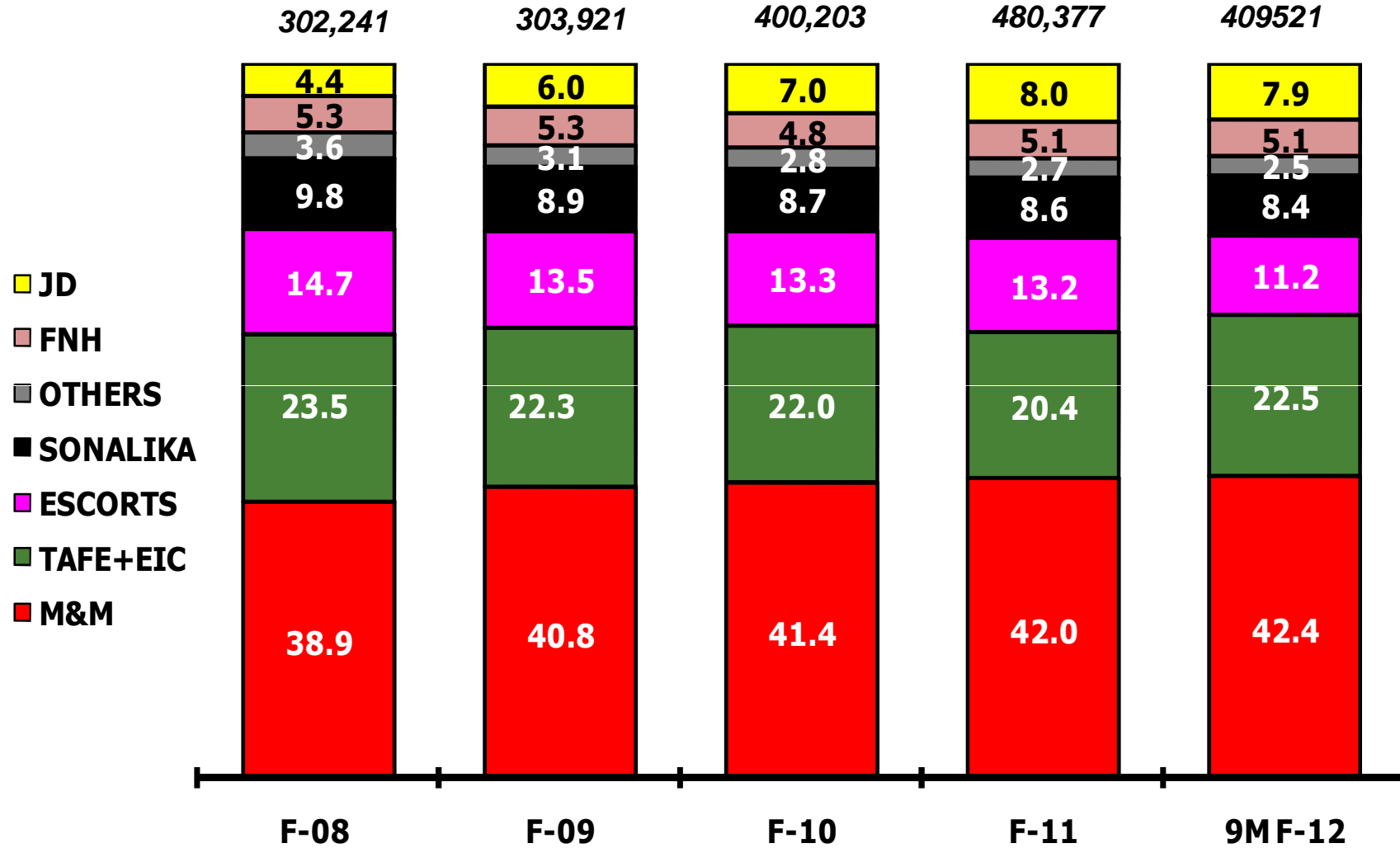


Tractor
Company
In the
World

*
M&M Ltd. is the largest tractor company in the world, by volume

Market Share

Total no. of Tractors

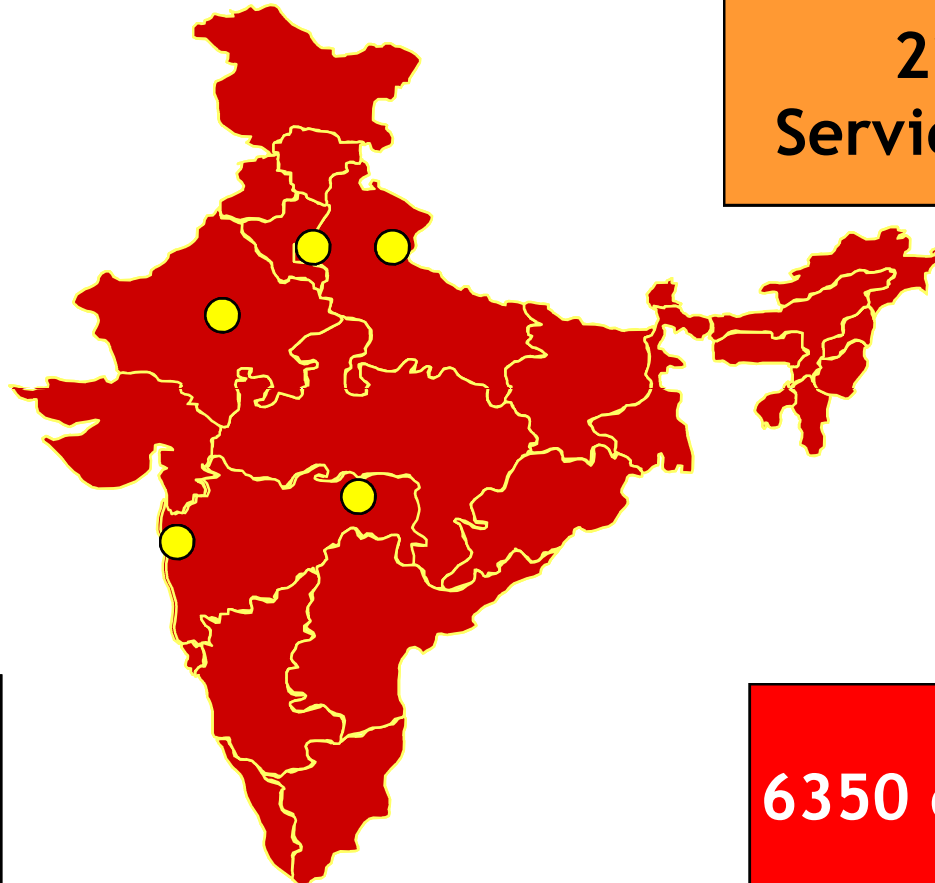


Source : TMA

Combined 'Mahindra & Swaraj'

1300 Dealers

**2200+
Service points**



7 Mfg. Plants
• 6 tractor plants
• 1 foundry

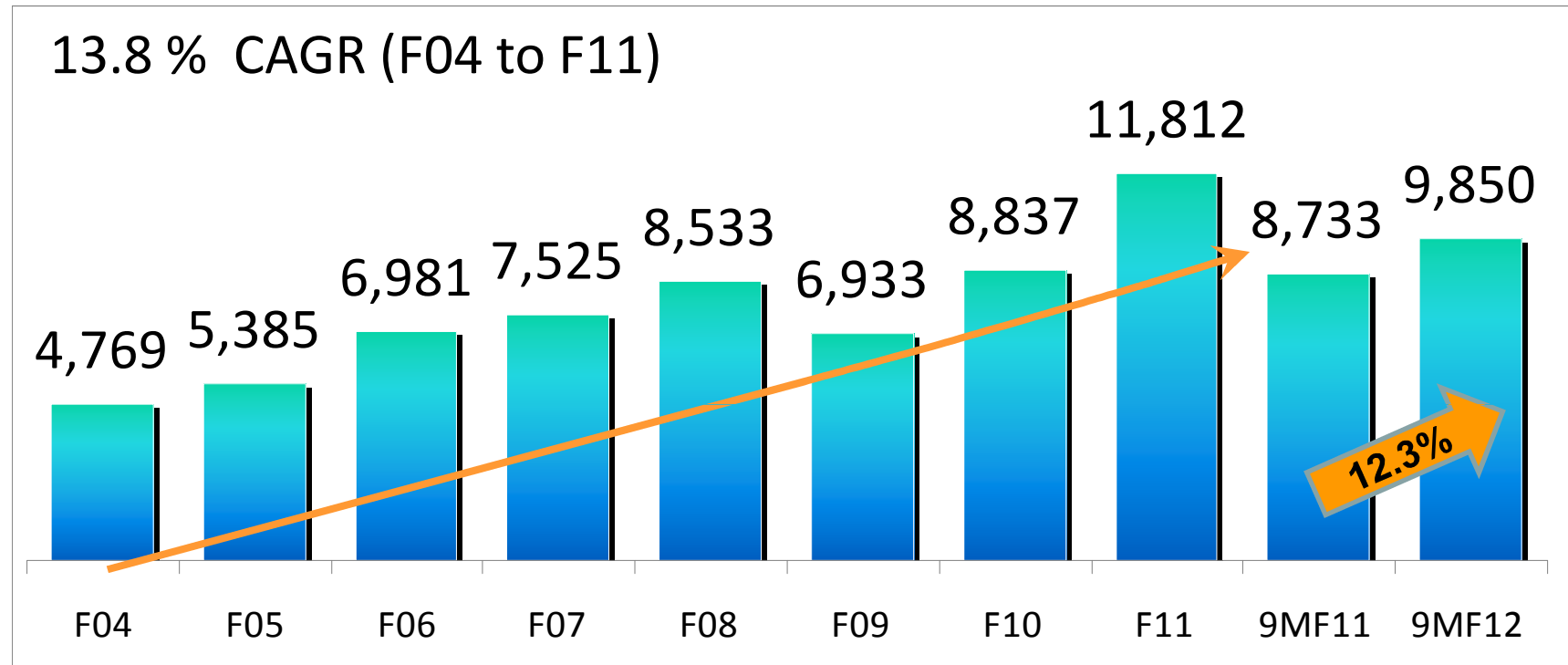
6350 employees

New Launch

Mahindra
Arjun INTERNATIONAL



M&M Export Performance



Beyond Agriculture....



Range Expansion: *5kVA to 320 kVA*

320 kVA DG set



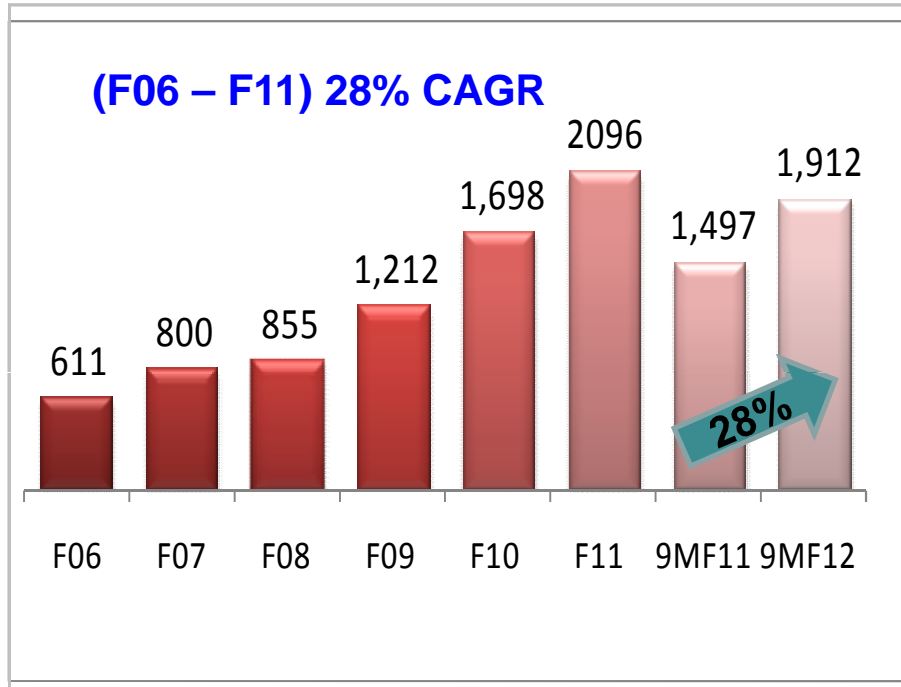
5kVA Nano DG set



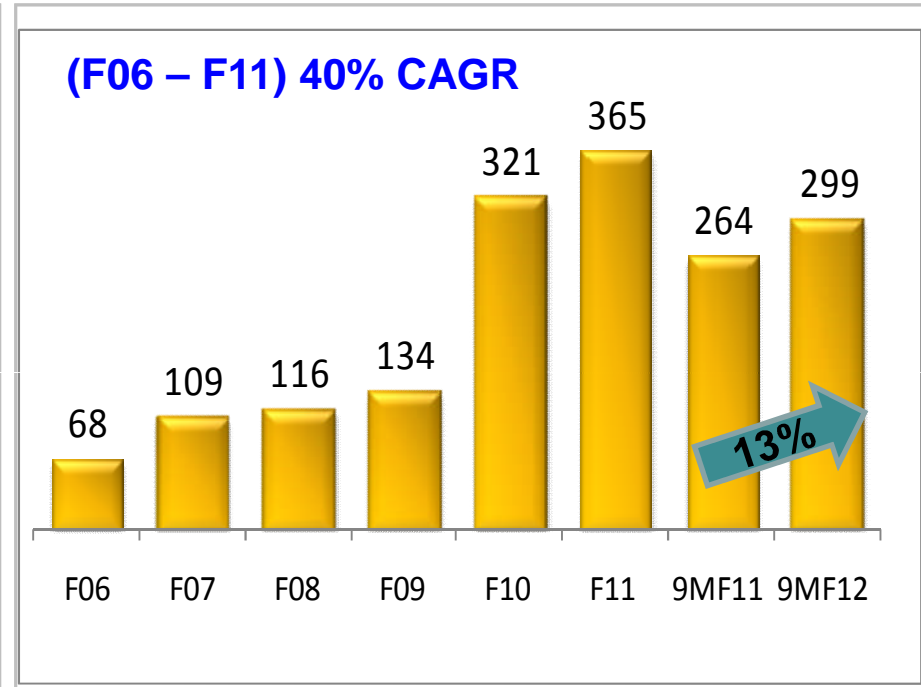
Financial Performance

Farm Equipment Sector (Stand alone)

USD mn



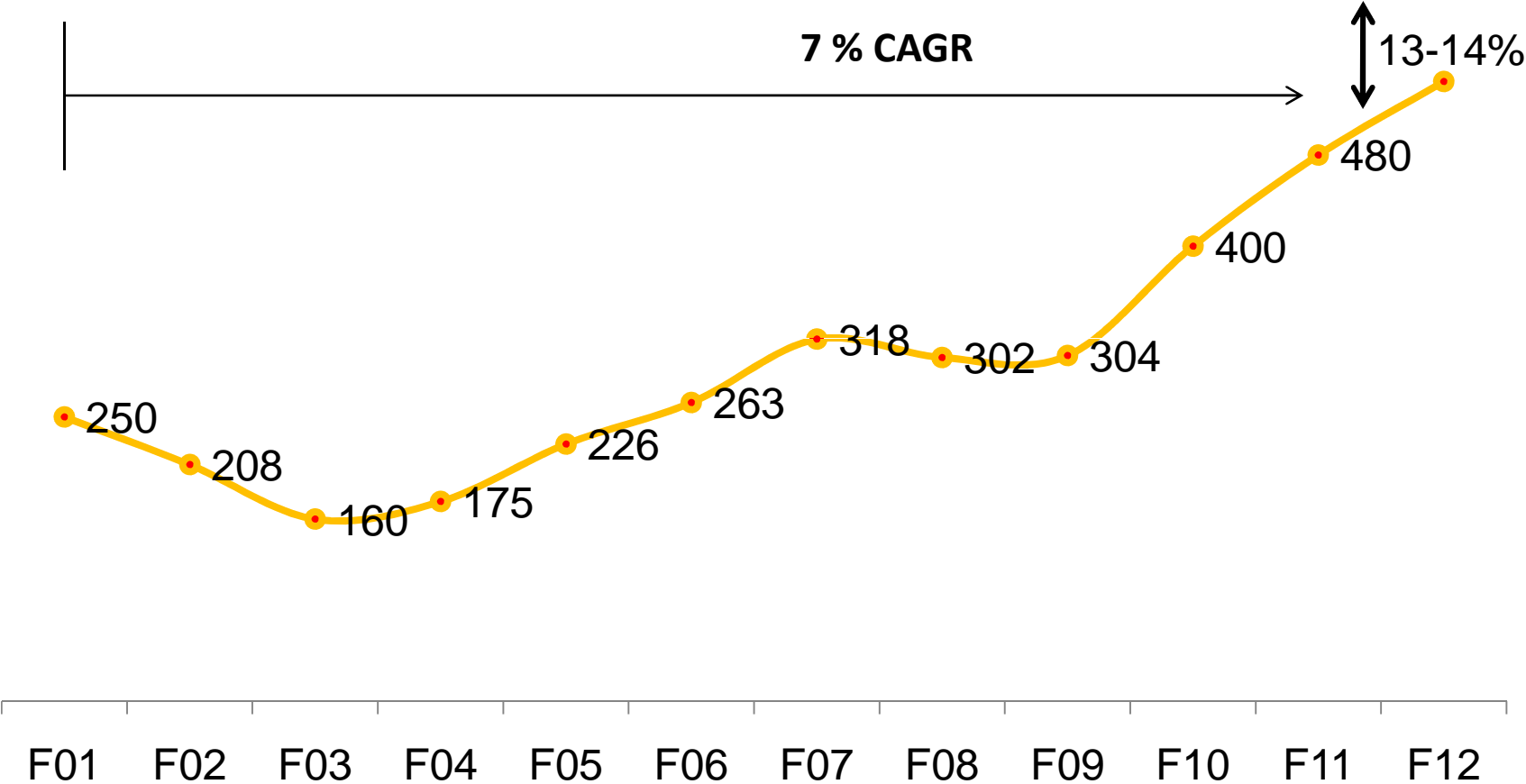
Segment Revenue



Segment Result

F12 Outlook

Tractor Industry



F13 Outlook: Higher single digit growth

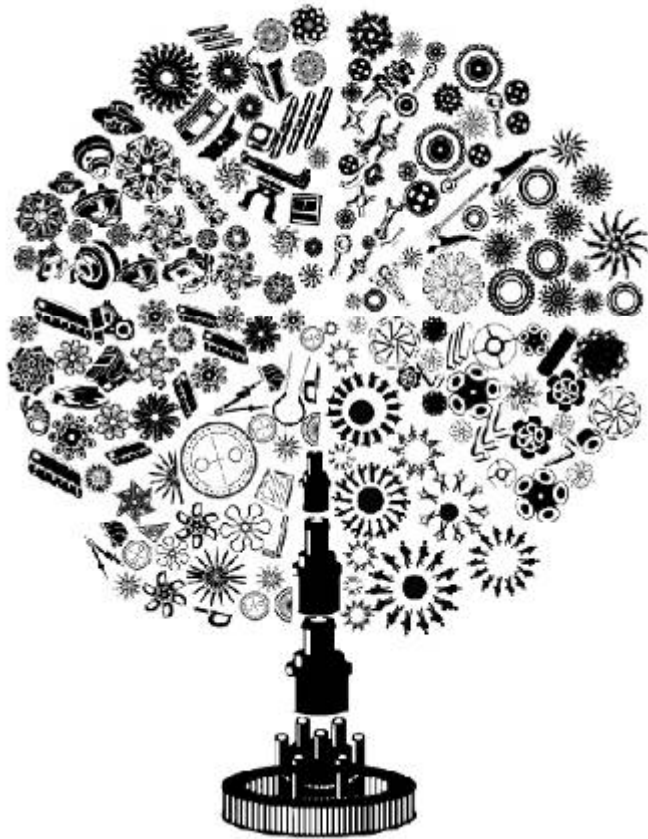
Going Forward...

M&M Initiatives

- New launches & product upgrades coupled with wide portfolio of mechanization solutions
- Growing the Agri business
- Construction Equipment gathering momentum
- Building capacities for future growth

M&M Group

Key Sectors



 **Mahindra Systech**

Building a Global Business

Mahindra Systech: Origin

Formed in 2004 - objective of becoming a global auto-component player

Background

- Around 2004-2005, European and US auto component manufacturers were going through tough times –
 - 35+ auto part makers filed for bankruptcy protection; S&P downgraded 25 US-based auto component suppliers
- Auto components was increasingly being looked at as a global business out of low-cost countries
 - Rapid increase in exports from India and China with India being recognized for expertise in engine components

M&A to fill in strategic gaps

Key Considerations

- Technology
- Market Access
- Quality of Management
- Location: Europe
- Complementary product portfolio
- No auction
- Optimal size: 75-100 mn Euros

Acquisitions

Mahindra Forgings

Casting

Gears

MES

Mission Statement

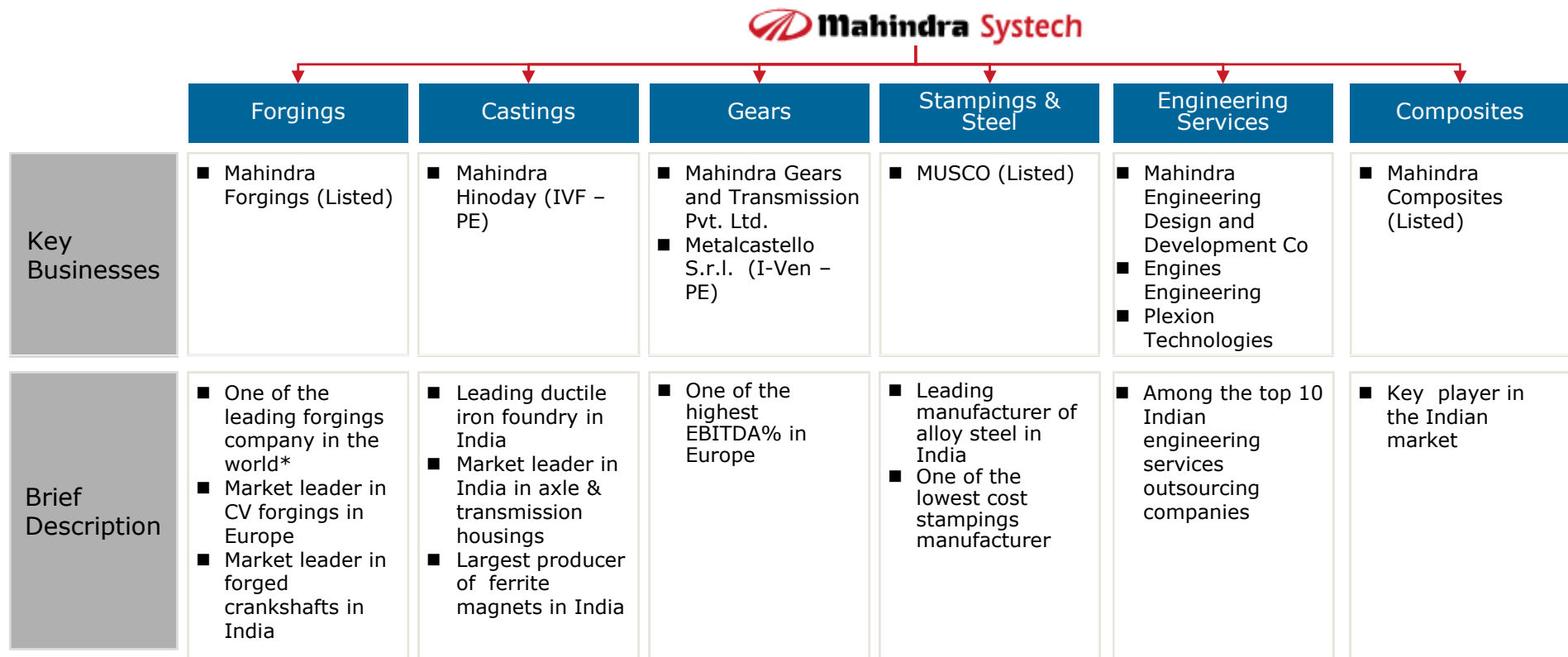
– To Become Global “Art to Part” Player

To create India’s most Valuable,
Innovative, “Art to Part” auto component
entity that partners with its global
customers to meet & surpass their
business needs



Mahindra Systech: Overview

Snapshot of key verticals

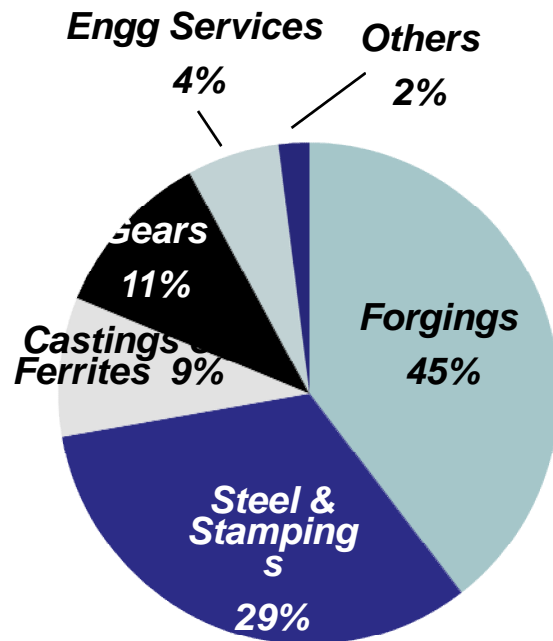


Combined Systech offers single window offering to clients, superior cost efficiencies and high bargaining power

Mahindra Systech: Overview

Diversified presence across products, customers & geographies

Products (% of Revenue – FY11)



100%= US\$929 mn

Key Customers



Plant Locations

India



UK



Germany



Italy



Note: 1. Others include businesses like Mahindra Composites

2. % of revenue calculated without considering intercompany transfer & HQ costs

Mahindra Systech : Vertical wise Focus

Business	Product/Service Focus	Segment Focus
Steel	Specialty Microalloy Steels	Automotive, Oil&Gas, Mining, Engineering
Castings	Turbocharger Housings (Global), Axle and Transmission Components (India)	Automotive, Construction Engg
Forgings	Crankshafts (IN), Truck Forgings(EU)	Automotive, Rail, Defense
Stampings	Skin Panels and value added products like Fuel Tanks, Pedal Box	Automotive
Gears	Higher Precision Gears like CWP & Synchros, Sub-Assemblies, Product Development Capability	Off Road, Construction
Composites	Pipes/Sheets, CNG Tanks, Automotive Parts, Windmill Parts	Infrastructure & Cold Chain, Electrical, Automotive & Alternative Energy
Magnetics	Magnets for auto industry; Forward integrate (lighting, cooktops)	Automotive (P/M); Industrial/Retail (New Products)
Engineering Services	Increase domain knowledge in auto engg; diversify outsourcing services into aero & defence	Automotive, Construction, Aero, Defence (India)

SYSTECH Sector Results

(US\$ Mn)

	H1FY12	H1FY11	%YoY
Segment Rev	565	426	33
Segment Result	21	15	35

Financial Services Sector



No.

1



**Rural
NBFC
in
India**

** MMSFL is the largest rural NBFC company in India, by number of rural branches and being largest financier of UVs & Tractors in India*

Introduction

- MMFSL is one of India's leading non-bank finance companies focused on the rural and semi-urban sector
- MMFSL is primarily in the business of financing purchase of new & pre-owned auto & utility vehicles, tractors, cars and commercial vehicles
- M&MFSL's goal is to be the preferred provider of financing services in the rural and semi-urban areas of India
- The Company has 592 offices covering 24 states and 4 union territories in India with over 1.9 million vehicle finance customer contracts since inception, as of December 31, 2011
- CRISIL has assigned a AA+/Stable rating and FITCH has assigned AA+(ind)/Stable rating and Brickwork has assigned AA+/ Positive rating to the Company's long term and subordinated debt

Segment wise - Break down of AUM

Segments	9M ended Dec – 11	9M ended Dec – 10	As on March-11
Auto/ Utility vehicles (M&M)	30%	30%	31%
Tractors (M&M)	20%	23%	23%
Cars and other (including non M&M vehicles)	31%	33%	31%
Commercial vehicles and Construction equipments	12%	8%	9%
Pre-owned vehicles and others	7%	6%	6%

MMFSL Consolidated Results

(US\$ Mn)

	9MFY12	9MFY11	%YoY
Income from Operations	432	306	41
PAT[#]	86	70	23

After Minority interest

Ratio Analysis

Figures on standalone basis

	9M ended Dec – 11	9M ended Dec – 10	Year ended March – 11
PBT/Total Income	29.5%	32.5%	34.9%
PBT/Total Assets	4.4%	4.8%	5.2%
RONW (Avg. Net Worth)	19.2%	20.9%	22.0%
Overheads/Total Assets	3.3%	3.7%	3.6%
Debt / Equity	4.69:1	4.44:1	3.88:1
Capital Adequacy	17.5%	17.4%	20.3%

IT Services Sector

No.

1



**In
Telecom
Software
in
India**

**
Tech Mahindra is the largest Telecom focused IT services
& Solutions provider in India – by “Voice & Data 2009”*

Tech Mahindra Overview

Leadership position in Outsourcing services to the Telecom Industry

- India's one of the leading Telecom Focused IT Services and Solutions Provider for global communication industry
 - Presence across Telecom value chain
 - Leading provider of integrated services to the global telecom ecosystem
- Global presence with 17 regional offices and 15 delivery centers
- Long term relationship with marquee customers
- Talent pool of approx 38,000 professionals and growing

TM is a focused play on the Telecom sector and is the largest offshore pureplay

Comprehensive Coverage of the Telecom Space

Telecom Service Providers (TSP)

(TM having largest TSP practice among offshore pure plays)

- Application Development & Management
- System Integration
- Program and Delivery Management
- Process Consulting
- BPO
- Managed Services
- Remote Infrastructure Management
- End to End Business Results

Telecom Equipment Vendors (TEM)

- Product Engineering
- Product sustenance
- Technology Transformation
- Product Testing and certification
- Joint Go-to-market

Independent Software vendors (ISV)

(Strategic relationship with ISVs expands portfolio of and positioned TM for winning large SI deals)

- Product Development
- Engineering services
- Solution Integration services
- Partnering system Integration

Expertise across the Telecom value chain

Acquisition of Satyam



Service Offerings

- Application Development and Maintenance
- Infrastructure Management Services
- IT Enabled Services
- Consulting and Enterprise Business Solution
- Extended Engineering Solutions

- Application Development and Maintenance
- Infrastructure Management Services
- IT Enabled Services
- Business Process Management
- Security Services
- CRM
- Billing

Verticals

- BFSI*
- Manufacturing
- Retail, Travel, Logistics
- Healthcare

- Telecom

**Banking, Financial Services and Insurance*

Tech Mahindra Consolidated Results

(US\$ Mn)

	9MFY12	9MFY11	%YoY
Income from Operations	871	830	5
PAT[#]	170	118	44

After Minority interest and after share of profit in Associate

Hospitality, Real Estate & Infrastructure Sector

Mahindra Holidays & Resorts India Limited

- ❖ *Leading leisure hospitality provider*
- ❖ *Fully Integrated Vacation Ownership (VO) Company*
- ❖ *Multi Product for Multiple customer*



Mahindra Lifespace Developers Limited

- ❖ *Building Destinations thru'*
 - *Integrated Developments - SEZ, Industrial Parks.*
 - *Residential & Commercial developments*



No.

1



**India's
Holiday
Company**

** Mahindra Holidays has the largest member base as time-share holiday provider in India*



fun. family. forever.

Mahindra Holidays & Resorts India Limited

With **around 138,000** Vacation ownership members as on Dec. 31, 2011

Performance: Milestones

- Leading Industry position
 - Over 138,000 Vacation Ownership (VO) members as at Dec. 31, 2011
 - Operates 36 resorts across India & Thailand
- 12 RCI Gold Crown Resorts for the year 2010 – 2011, making the company one having the largest number of Gold Crown resorts in the Country
- 10 consecutive years of RCI Gold Crown for Munnar and Goa
- In Q3 F12, Company acquired 100% shareholding of Bell Tower Resorts Pvt Ltd which owns a resort comprising of 106 rooms in Goa .The company has also signed an agreement for acquisition of property on long term lease at Kanatal in Uttarkhand.

Mahindra Holidays Standalone Results

(US\$ Mn)

	9MFY12	9MFY11	%YoY
Income from Operations	93	76	21
PAT	14	13	8



MLDL: Pre-eminent Real Estate Corporate



Standalone Real Estate

- › Focus on Tier I/II cities
- › Residential and Commercial
- › Derive Brand Premium



Integrated Development

- › Destination building
- › SEZ, Industrial parks, logistics zones, etc
- › Multi-format development

Company with Transparent Business Systems

Promoter of India's First Integrated Business City

Corporate India's First Operational SEZ

Promoter of the Two Largest IT SEZs in India

Over 7.02 million sq. ft of residential and commercial projects completed in Mumbai, Pune, NCR, Chennai, and Bangalore

8.99 million sq. ft of new projects under construction / to be launched in the near term and 12.59 million sq ft of land bank across Mumbai, NCR, Chennai, Pune, Nasik and Nagpur

Standalone real estate development undertaken by Mahindra Lifespaces; Integrated development undertaken through Mahindra World Cities (Subsidiaries/SPVs)



MLDL Consolidated Results

(US\$ mn)

	9MFY12	9MFY11	%YoY
Income from Operations	92	84	10
PAT	16	15	7

Mahindra Group : A USD 14.4 bn Conglomerate with interests across the economic spectrum



Sustainability

- Released 3 annual sustainability reports (2008, 2009, 2010) to map triple bottom line performance
 - Social Performance – People
 - Environment Performance – Planet
 - Economic Performance – Profit
- Received A+ rating which is externally assured
- Amongst top 10 list of the Carbon Disclosure Leadership Index - 2010 and The S&P's ESG India Index-2010
- Integrated sustainability into the business profile through hybrid technology vehicle

Commitment to Society

The Mahindra Group
has pledged to dedicate
1% of its Profit after Tax to CSR initiatives

THANK YOU