



Mahindra

Rise.

August, 2011

India - Fast, Sustained and Stable Growth Story

- GDP growth for last Three Financial years, *F07–F09* **at ~8.0%**

F10 – **8.0%**

F11E - **8.5%**

F12E – **8%** (Source – RBI Policy, July 26, '11)

- An exponential increase in the consumer class
- Maturing Economy

Shift from Agriculture & Manufacturing to Services

Stable: Forex reserves at US\$ 317.2 billion (As on Aug. 5, '11 – RBI)

The Indian Story

Recent Developments

- Political stability
- Focus on Infrastructure, 'Bharat Nirman', NREGA
- Inflation, Interest rates remain a concern...

Mahindra Group : A USD 12.5 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	24.9% Promoter & Promoter Group, 75.1% Public, (32.14% Foreign) <i>As at June 30, 2011</i>
Gross Revenue	FY11 – 5.7 bn, Q1FY12 – US\$ 1.61 bn
Net Profit	FY11 – 585 mn, Q1FY12 – US\$ 133 mn
Sales (incl exports), vol.	FY11 4W+3W–364,8341 (27.21%)↑ Tractors–213,653 (22.3%)↑ Apr-Jul FY12 4W+3W–137,534 (29.6%)↑ Tractors– 76,870 (18.7%)↑
Market Share	FY11 – Pass.UV – 52.6%, Tractors – 41.4% Apr-Jul FY12 Pass.UV – 55.9%, Tractors – 42.5%
Plants	Auto – 6, Tractors – 6
Manpower	Around 26,000
Subsidiaries	<i>As of March. '11</i> – Total – 110, Operational – 60

Financials

For translation of ₹ to US\$ a convenience translation at average of closing exchange rates for 12 months period ended 30th June 2011 has been applied.

Three Months ending 30th June 2011

Mahindra Group

- **Gross Revenue**

Rs.14,256 crores (US\$ 3.1 bn)

↑ 66%

- **PAT after Minority Interest**

Rs.662.3 crores (US\$ 146.0 mn)

↑ 7%

Mahindra Standalone

- **Gross Revenue**

Rs.7,294 crores (US\$ 1.6 bn)

↑ 29%

- **Profit after Tax**

Rs. 605 crores (US\$ 133 mn)

↑ 8%

- **Operating margin**

13.3%

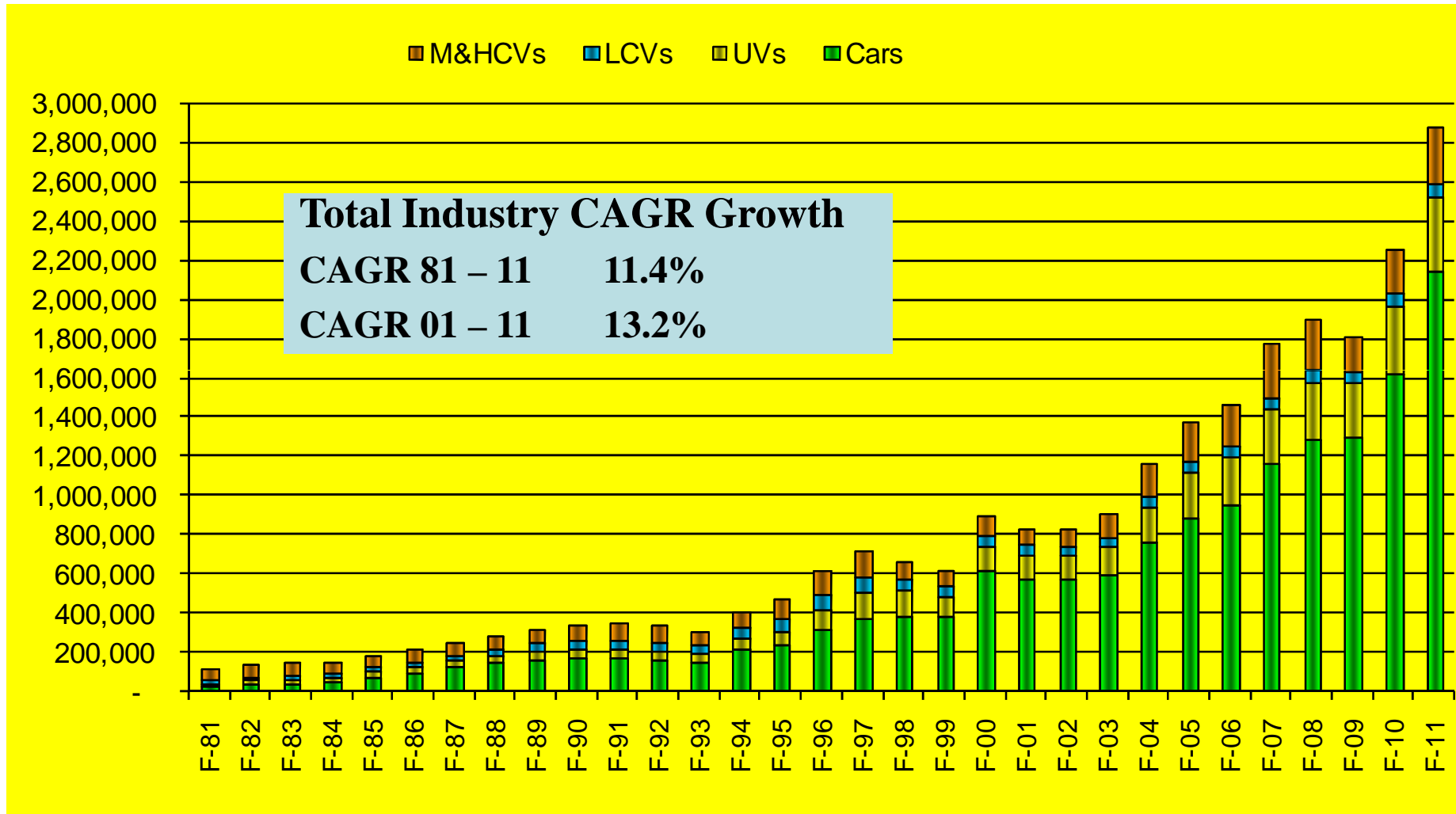
- **Gearing Ratio**

Debt : Equity

0.22

Automotive Sector

Indian Auto Industry *Vehicle Sales*



Source : SIAM



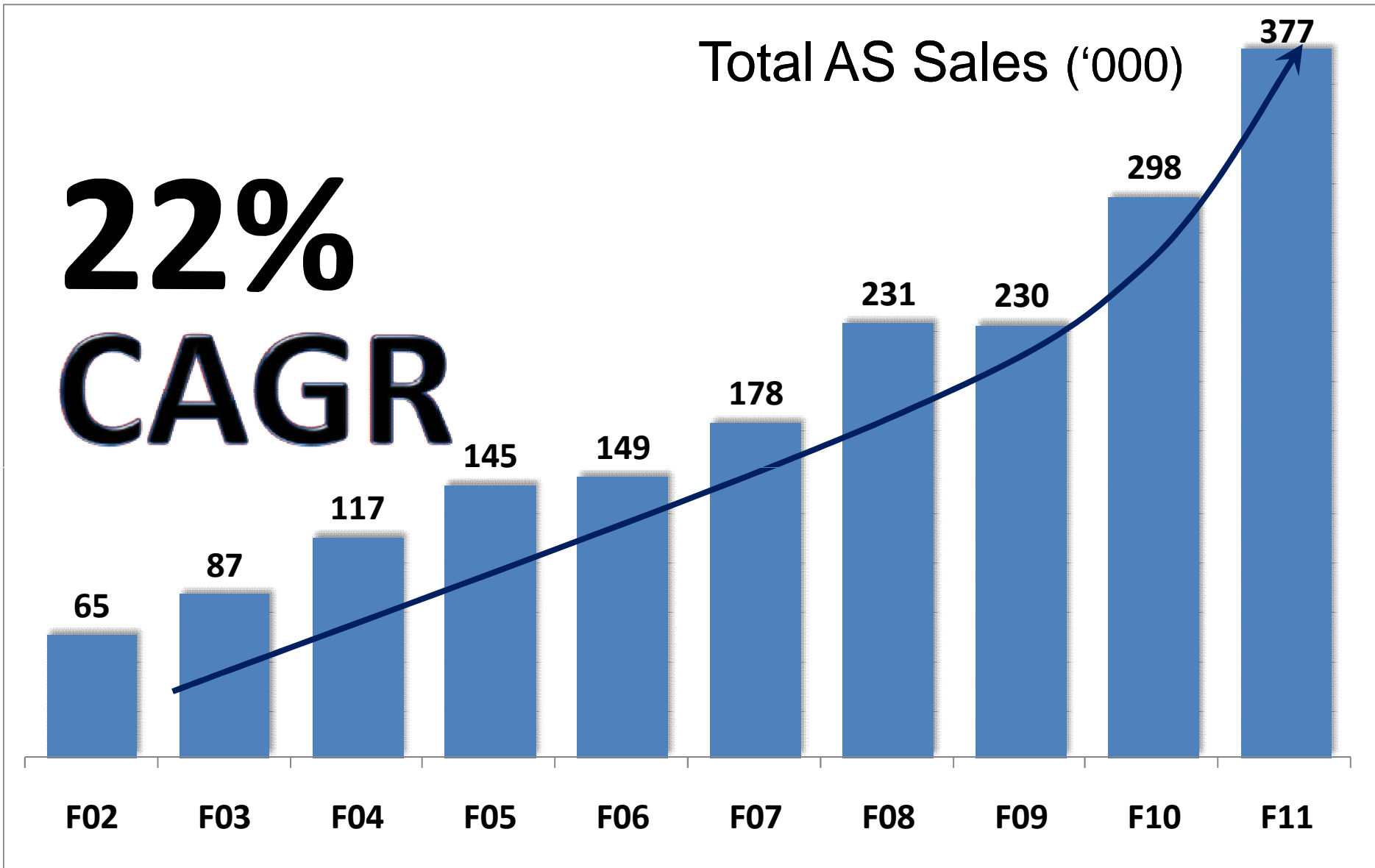
No.

1



**Utility
Vehicle
Player in
India**

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

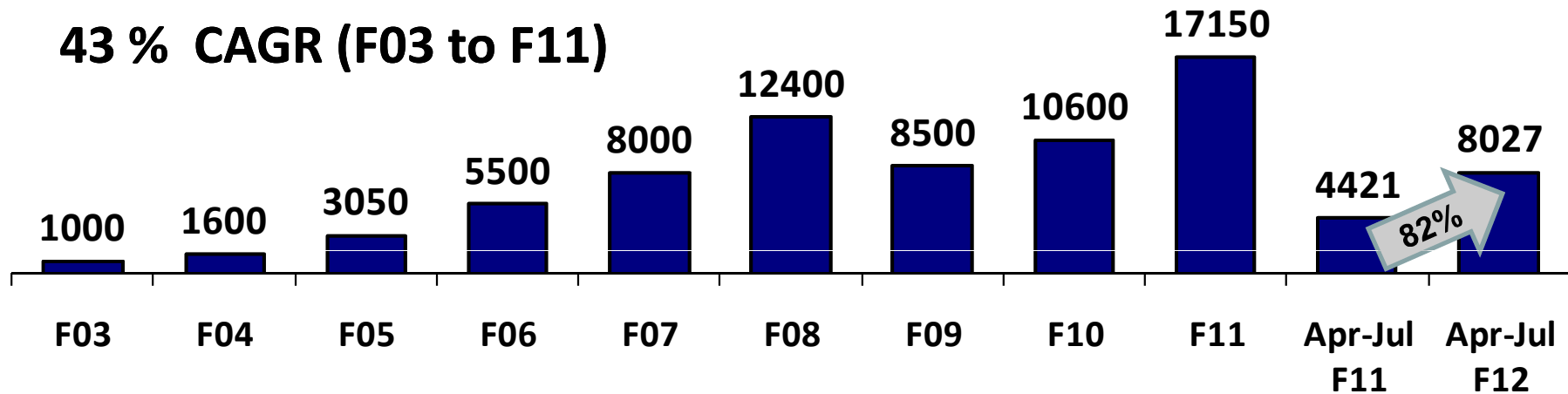


FY12 Apr-Jul

Industry – M&M Performance

Category	M&M Apr - Jul			Industry Apr - Jul			M&M MS Apr-Jul	
	FY12	FY11	%YoY	FY12	FY11	%YoY	FY12	FY11
UV Total	60,089	50,935	18.0%	107,518	99,705	7.8%	55.9%	51.1%
MPV Total	6,586	-		78,927	62,929	25.4%	8.3%	0.0%
LCV < 2T	16,381	10,314	58.8%	73,616	52,547	40.1%	22.3%	19.6%
2T > LCV < 3.5T	21,561	19,733	9.3%	29,336	25,090	16.9%	73.5%	78.6%
3W Total	19,453	17,586	10.6%	154,278	150,521	2.5%	12.6%	11.7%
AD (Dom.) Total	124,070	98,568	25.9%	443,675	390,792	13.5%	28.0%	25.2%
LCV > 3.5 T Total	3,452	3,966	-13.0%	31,937	29,723	7.4%	10.8%	13.3%
MHCV (Load)	644	19		87,046	80,462	8.2%	0.7%	0.0%
MNAL Total	4,096	3,985	2.8%	118,983	110,185	8.0%	3.4%	3.6%
Verito	5,437	2,068	162.9%	54,721	40,549	35.0%	9.9%	5.1%
AS (Dom.) Total	133,603	104,621	27.7%	617,379	541,526	14.0%	21.6%	19.3%
Non Participating Segments								
MHCV Passenger				15,084	15,523	-2.8%		
Cars (Excl. Super Compact)				544,038	551,591	-1.4%		
AS (Dom.) Total	133,603	104,621	27.7%	1,176,501	1,108,640	6.1%	11.4%	9.4%

International Markets Outperformance



No. of units exported

New Launches

**MAXIMMO
Mini Van**



**M&HCV
25/31/40 T**



GENIO



MAXIMMO



GIO



GIO Cab



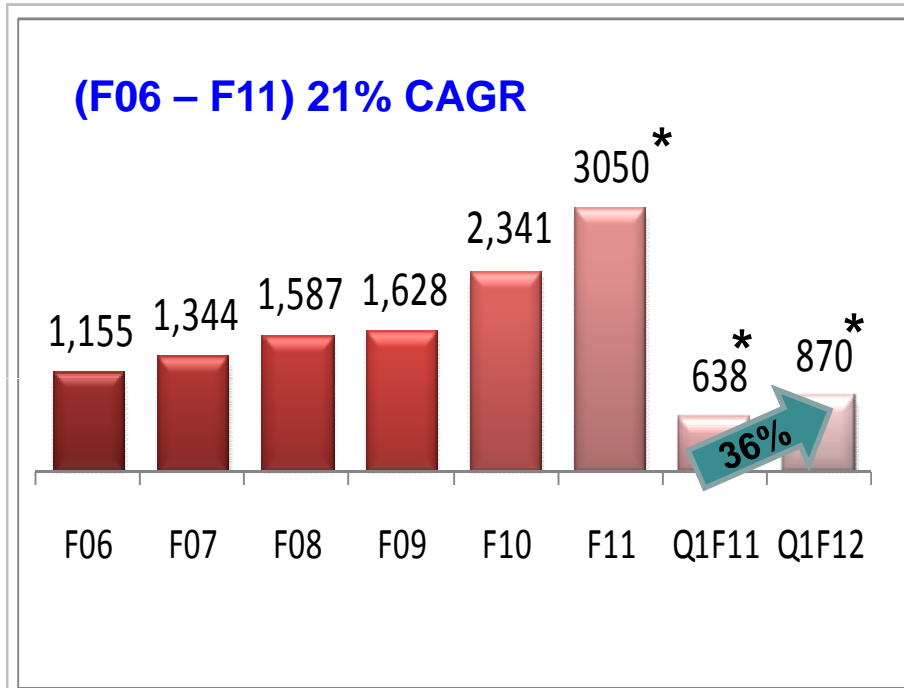
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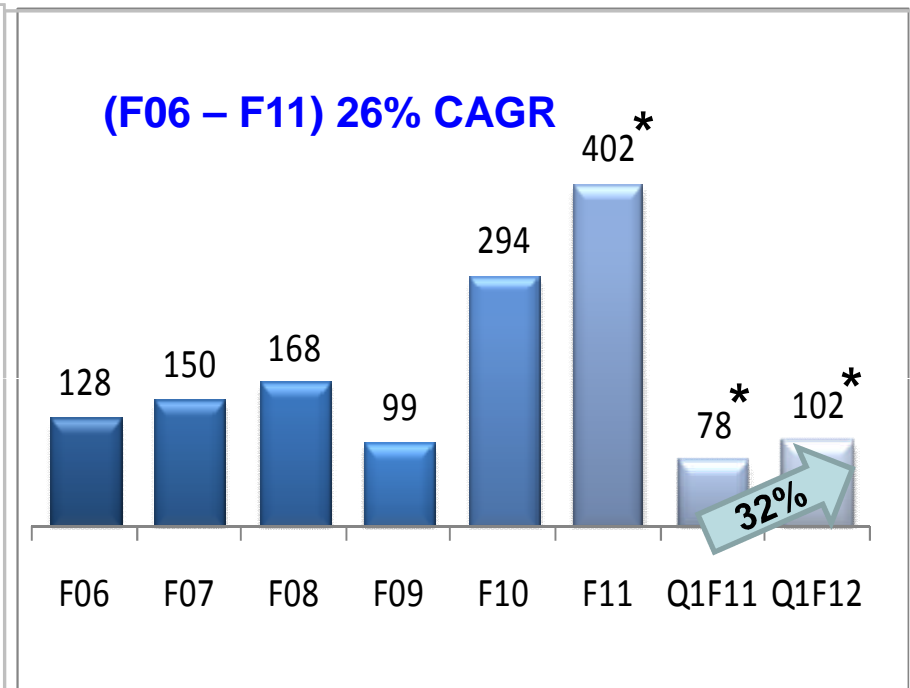
Record Financial Performance

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

Going Forward...

M&M Initiatives - Auto

- New launches
- Synergies with Ssangyong
- Ramp up MHCV
- Development of EV at Mahindra Reva
- Customer satisfaction
- Capacity Management
- Cost management initiatives

SIAM F12 Outlook

Segment	F12 Growth (Jul 11 Estimate)
Cars	10 to 12%
UV	10 to 12%
MPV	13 to 15%
PV Total	10 to 12%
LCV Goods	17 to 19%
MHCV Goods	8 to 10%
Passenger Buses	4 to 6%
Total CV	12 to 14%
2W	12 to 14%
3W Goods	4 to 6%
3W Passenger	8 to 10%
3W Total	8 to 10%
Auto Total	11 to 13%

Source: SIAM Data

Going Forward...

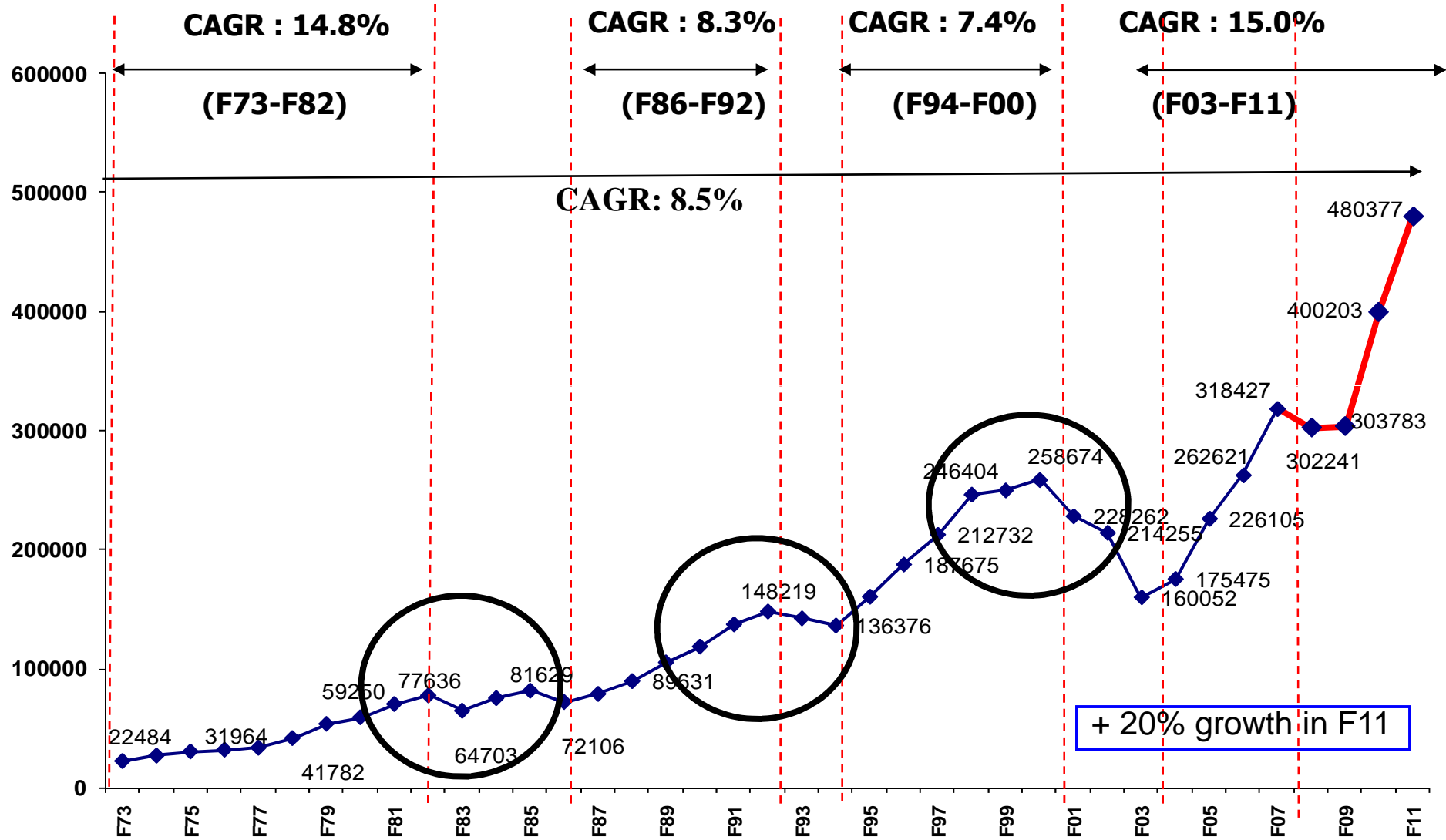
M&M Initiatives - Auto

- New launches
- Ramp up MHCV
- Ssangyong
- Mahindra Reva
- Customer satisfaction
- Manage capacities

Farm Equipment Sector

Domestic Industry Historical Volumes

No. of tractors





No.

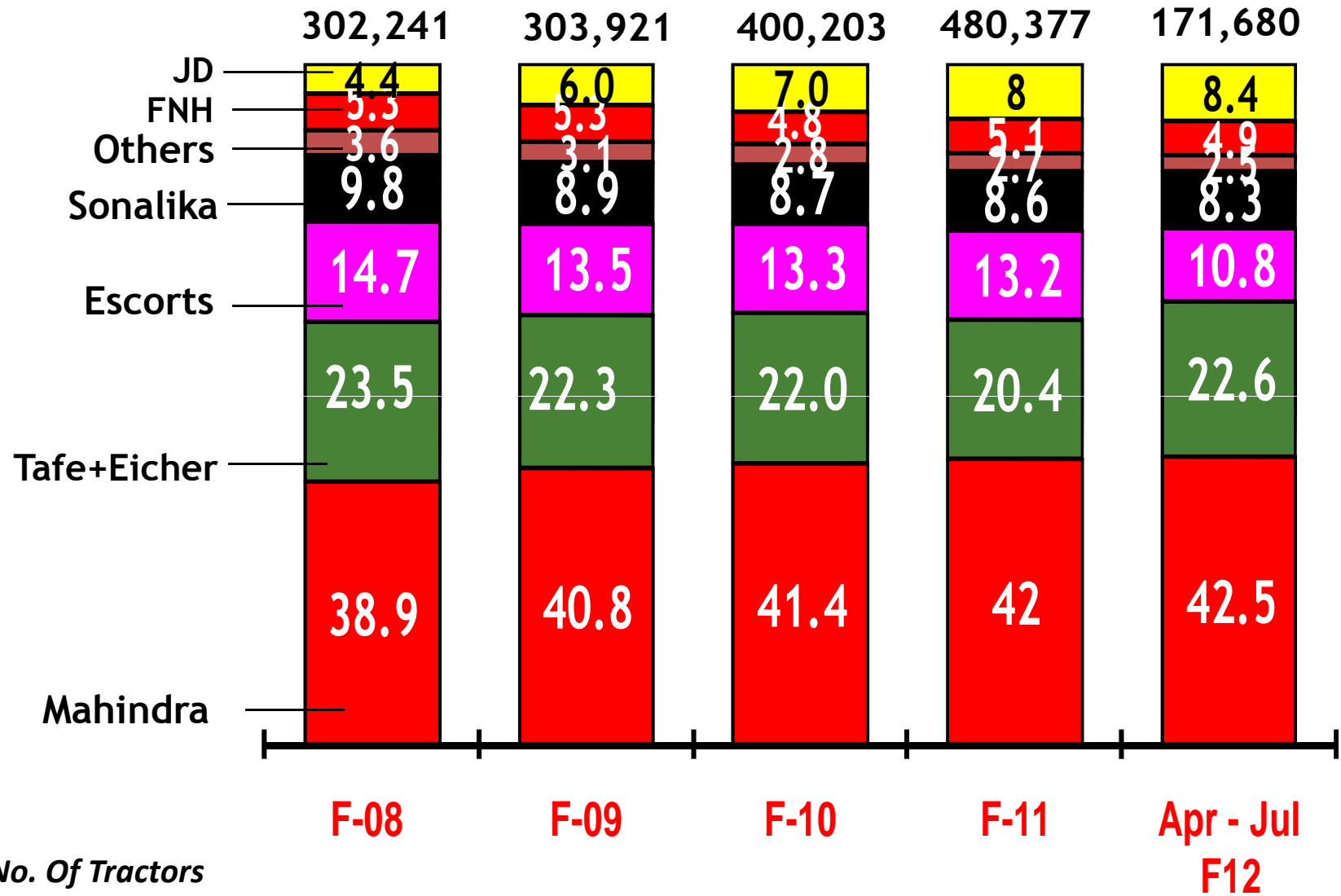
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Tractor
Company
In the
World

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

Market Share



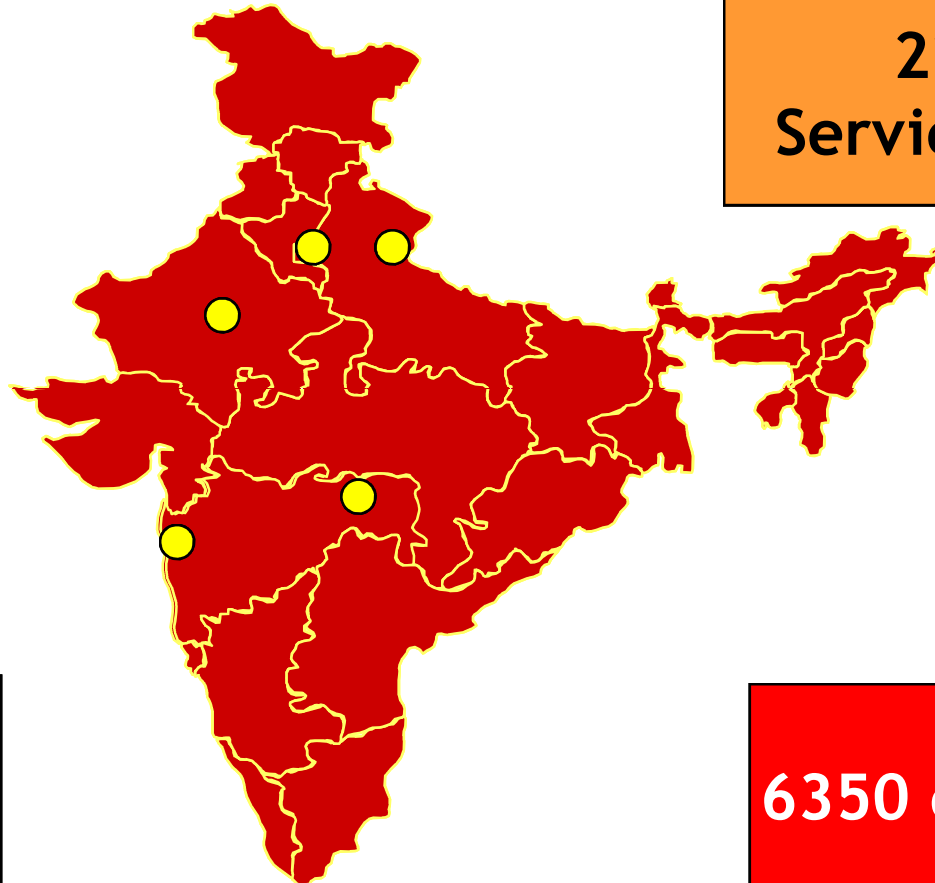
No. Of Tractors

Source : TMA

Combined 'Mahindra & Swaraj'

1300 Dealers

**2200+
Service points**



7 Mfg. Plants
• 6 tractor plants
• 1 foundry

6350 employees

“Yuvraj” – New tractor launched



**15 HP tractor, Best in class fuel efficiency,
Yuvraj 215 bags prestigious Golden Peacock Innovative Product /
Service award 2010**

MAT – to meet Multi Application needs



PESH HAI DESH KA PEHLA **MAT MULTI-APPLICATION TRACTOR**

NAYA ARJUN ULTRA-1 DLX

Mahindra
Arjun
ultra-1 DLX


सबसे आगे, सबसे अलग.

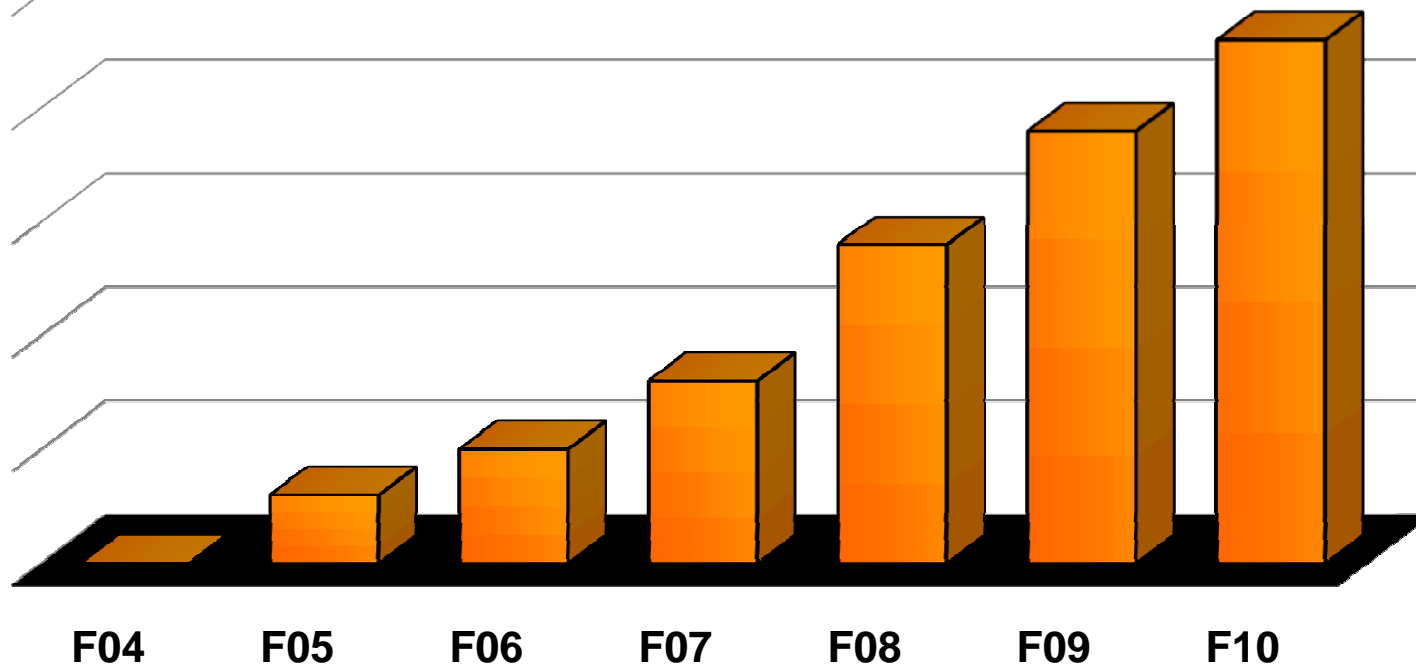
→ Forward & Reverse Synchro Shuttle → 8 F + 8 R, 16 Speed Synchronesh transmission
→ Car like side shift gear → Adjustable Heavy duty 3 piece front axle → Multi Disc Oil Immersed Brakes
→ Unique Reverse CRPTB → Superior Ergonomics

synchro Shuttle

महिंद्रा ग्रुप लि. | १९९९-२०१९

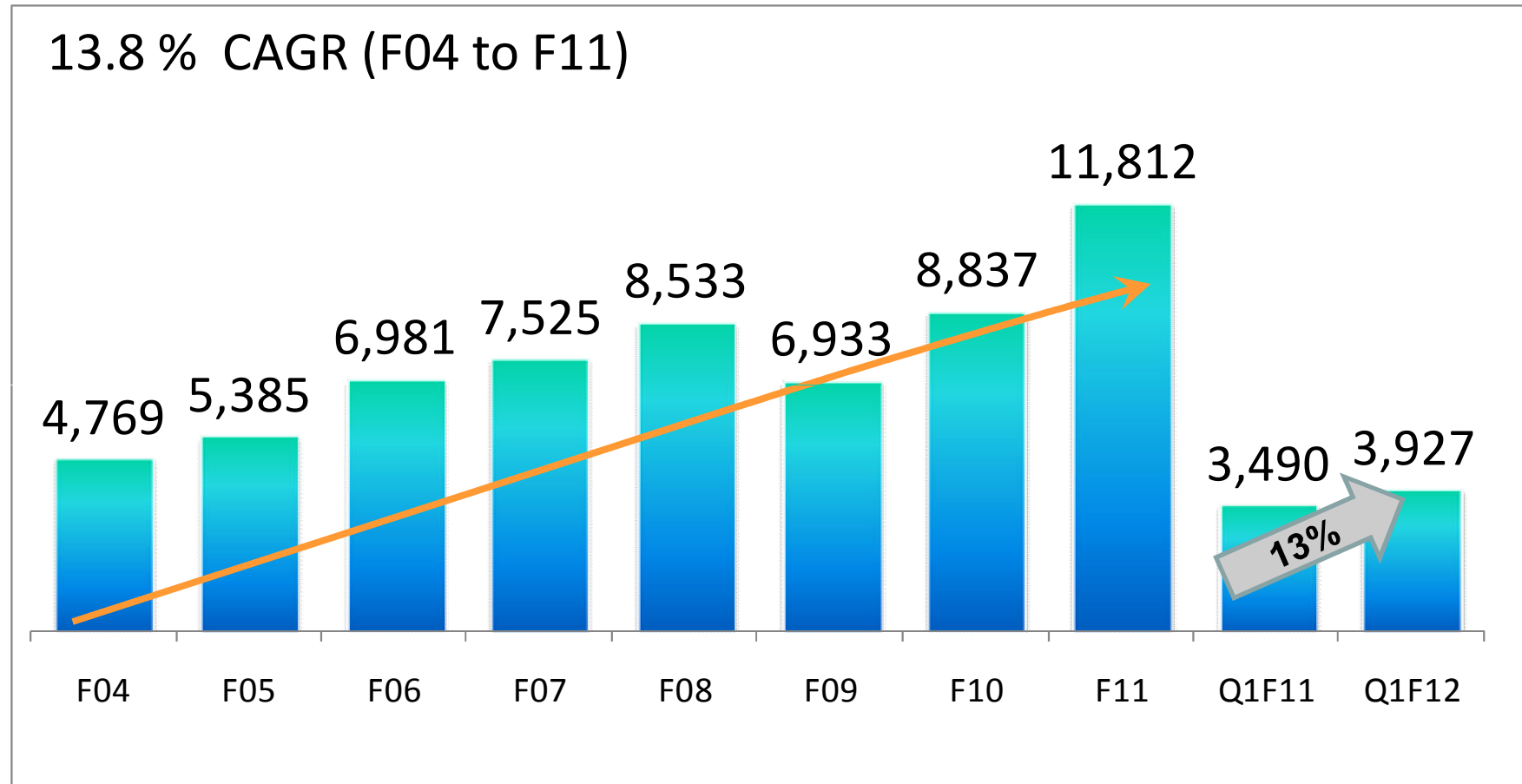
Customer Satisfaction Index

 **# 1** For last Decade



**Taylor Nelson Sofres*

M&M Export Performance



Beyond Agriculture....



Range Expansion: *5kVA to 320 kVA*

320 kVA DG set



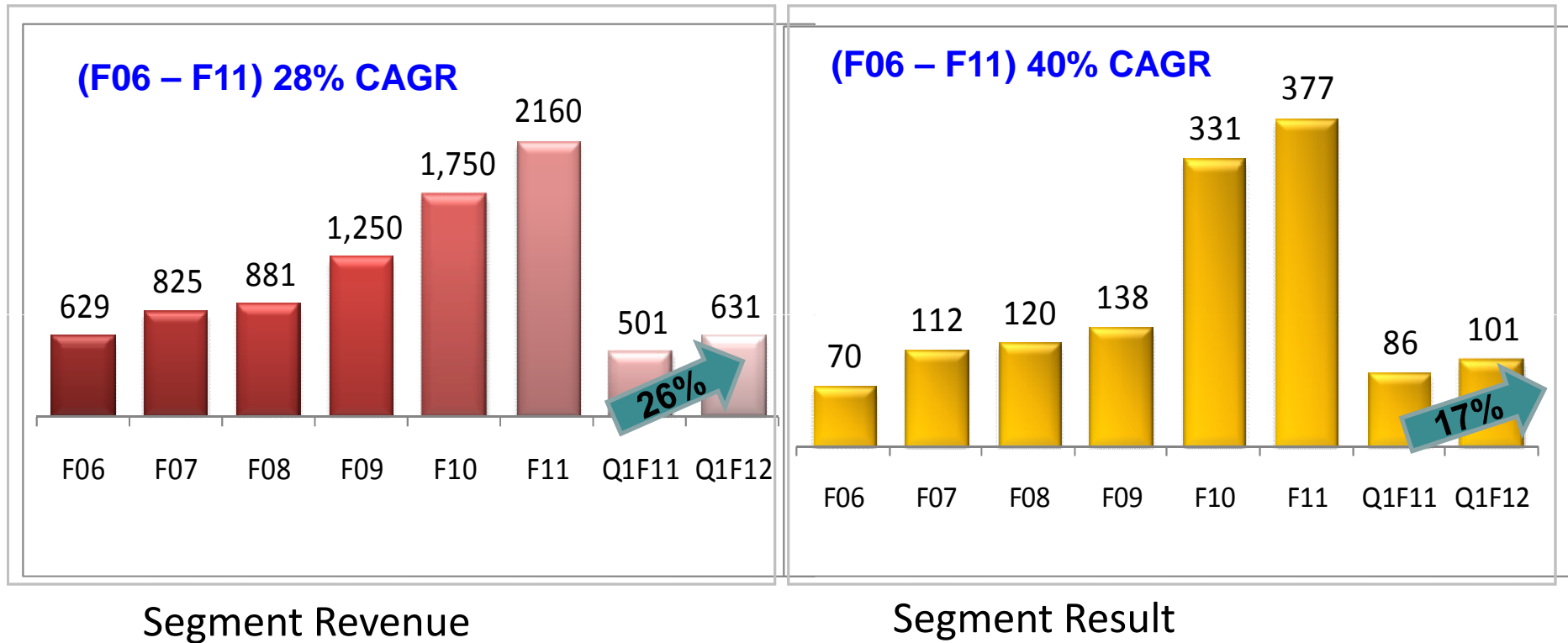
5kVA Nano DG set



Record Financial Performance

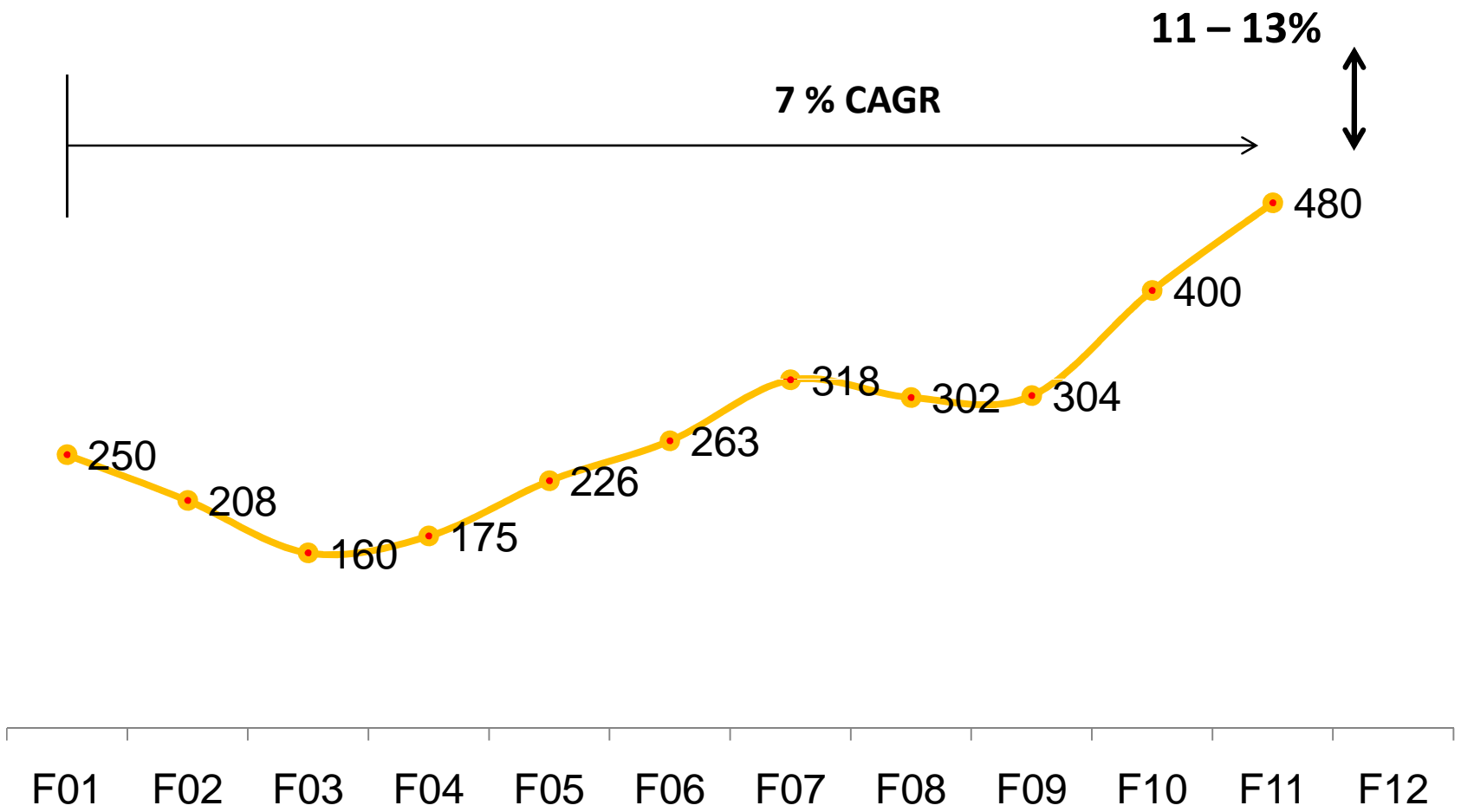
Farm Equipment Sector (Stand alone)

USD mn



F12 Outlook

Tractor Industry



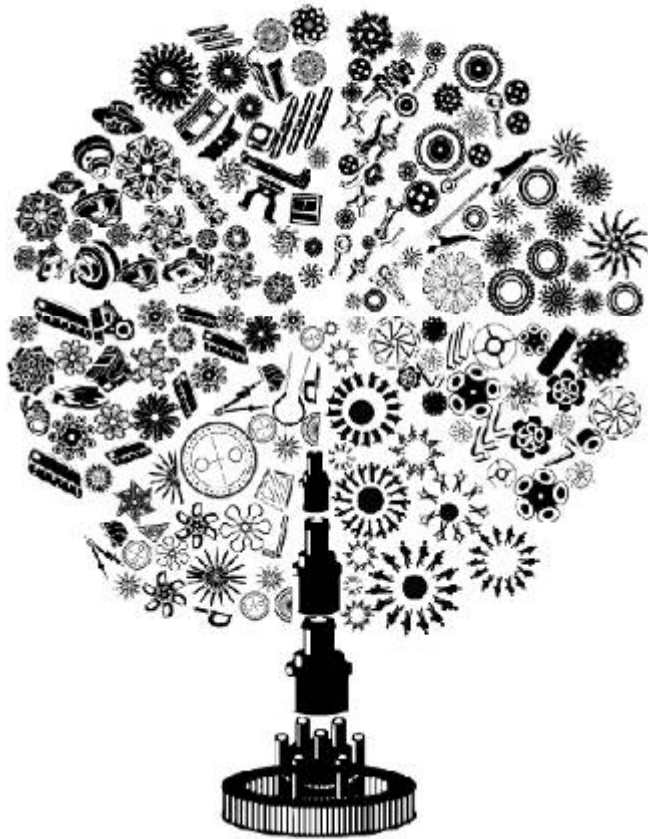
Going Forward...

M&M Initiatives - Farm

- New launches
- Focus on agri business
- Grow Construction Equipment business
- Manage capacities

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

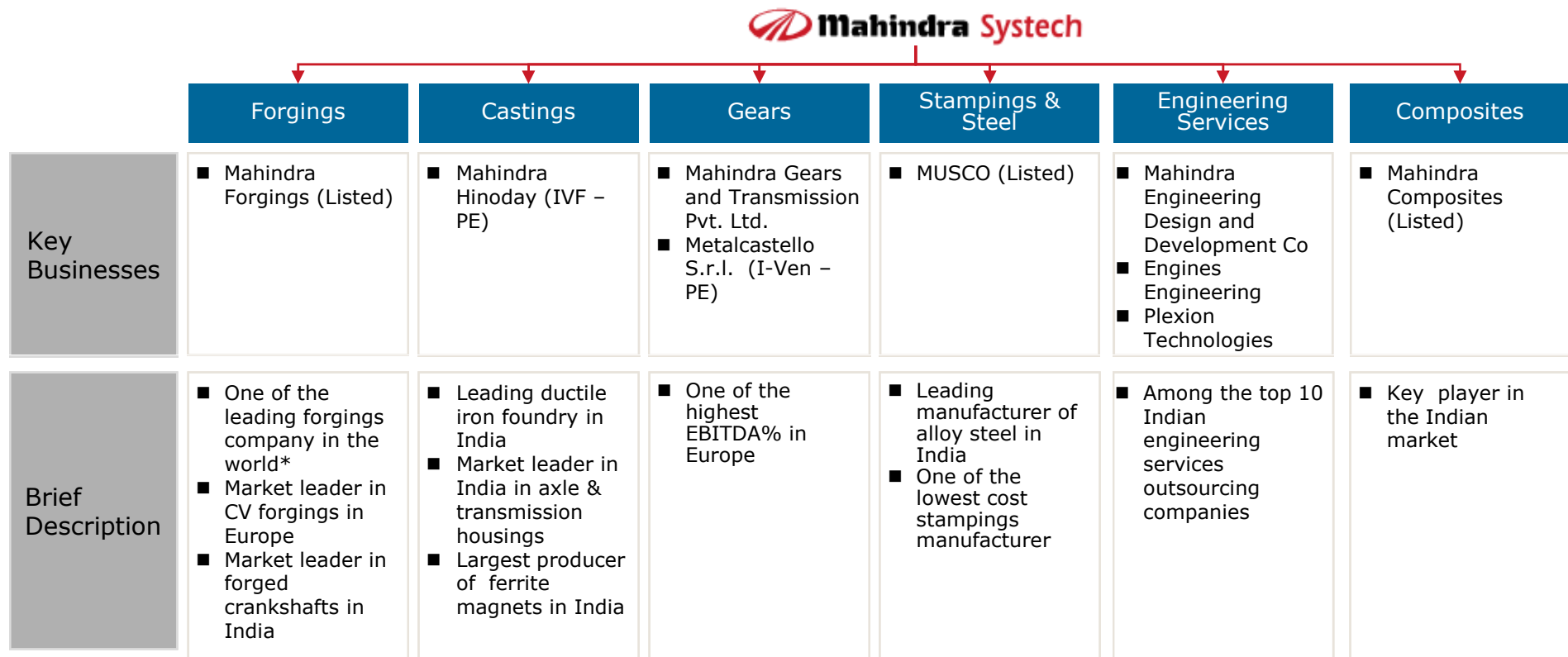
– To Become Global “Art to Part” Player

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

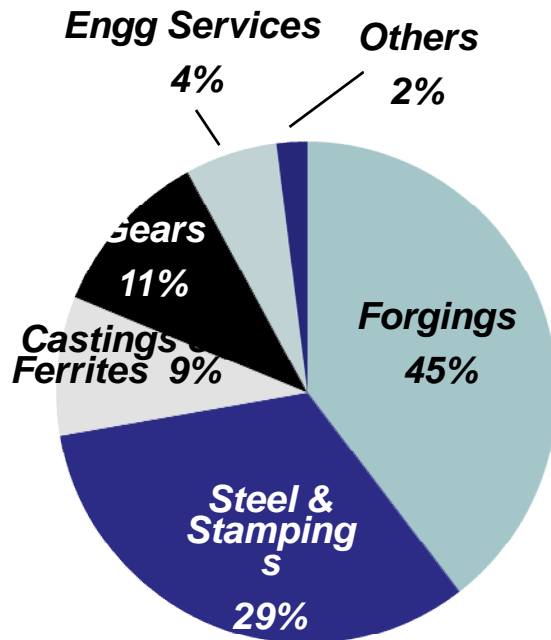


Combined Systech offers single window offering to clients, superior cost efficiencies and high bargaining power

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)

	Q1FY12	Q1FY11	%YoY
Segment Rev	282	202	40
Segment Result	11	5	117

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 559 offices covering 24 states and 4 union territories in India with over 1.6 million vehicle finance customer contracts since inception, as of June 30, 2011
- CRISIL has assigned a AA+/Stable rating and FITCH has assigned AA(ind)/Positive rating and Brickwork has assigned AA+/ Positive rating to the Company's long term and subordinated debt

Segment wise - Break down of AUM

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

MMFSL Consolidated Results

(US\$ Mn)

	Q1FY12	Q1FY11	%YoY
Income from Operations	129	91	42
PAT[#]	23	18	31

After Minority interest

Ratio Analysis

Figures on standalone basis

	Quarter ended June – 11	Quarter ended June – 10	Year ended March – 11
PBT/Total Income	26.8%	27.7%	34.9%
PBT/Total Assets	4.1%	4.1%	5.2%
RONW (Avg. Net Worth)	15.7%	15.1%	22.0%
Overheads/Total Assets	3.8%	4.3%	3.6%
Debt / Equity	3.98:1	3.83:1	3.88:1
Capital Adequacy	18.7%	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)

	Q1FY12	Q1FY11	%YoY
Income from Operations	285	250	14
PAT[#]	40	32	25

After Minority interest and before 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 128,000** Vacation ownership members as on June 30, 2011

Performance: Milestones

- Leading Industry position
 - Over 128,000 Vacation Ownership (VO) members as at June 30, 2011
 - Operates 36 resorts across India & Thailand
- 10 RCI Gold Crown Resorts for the year 2010 – 2011, making the company with largest number of Gold Crown resorts in the country
- 10 consecutive years of RCI Gold Crown for Munnar and Goa
- Added two new destinations at Udaipur & Kanha during FY11
- Signed MOU with Govt. of Gujarat for developing inbound tourism in the State by setting up resorts in seven new locations (Already have a resort at Gir, Gujarat)
- www.clubmahindra.com listed amongst the top 10 in India travel websites (offering destinations and accommodations).

Mahindra Holidays Standalone Results

(US\$ Mn)

	Q1FY12	Q1FY11	%YoY
Income from Operations	28	22	24
PAT	4	3	27



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

9.28 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)

	Q1FY12	Q1FY11	%YoY
Income from Operations	23	18	26
PAT	3	3	14

Mahindra Group : A USD 12.5 bn Conglomerate with interests across the economic spectrum



FOCUS ON GOOD GOVERNANCE



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