

Automotive Sector

Analyst Meet
28th May 2009



Industry Snapshot

Partial Recovery in Q4

	H1 F09	Q3 F09	Q4 F09
Cars	5%	-12%	5%
Utility Vehicles	12%	-36%	-11%
LCVs	7%	-28%	-15%
MHCVs	-4%	-60%	-52%
Small CVs	7%	-18%	0.7%
Total	6%	-21%	-6%






M&M : Quick to Respond in Q4

M&M Participating Segments	Industry		M&M			Market Share	
	Q4 F09	Growth	Q4 F09	Q4 F08	Growth	Q4 F09	Q4 F08
UVs	76,280	-10.9%	48,088	42,999	11.8%	● 63.0%	50.2%
Three Wheelers	87,199	-2.2%	10,281	8,775	17.2%	● 11.8%	9.8%
AD Total	163,479	-6.5%	58,369	51,774	12.7%	● 35.7%	29.6%
LCVs (3.5 to 7.5T GVW)	13,592	-15.0%	1,724	2,493	-30.8%	● 12.7%	15.6%
Cars C-segment	74,571	11.2%	2,567	8,120	-68.4%	● 3.4%	12.1%
AS Total (Domestic)	251,642	-2.4%	62,660	62,387	0.4%	● 24.9%	24.2%
Non Participating	378,842	-9.0%					
Total Industry	630,484	-6.5%	62,660	62,387	0.4%	● 9.9%	9.3%

Outpaced the UV and 3W Industry



Smart Recovery in Q4

	Q4 F09	Q3 F09	Growth
Volumes (Dom) Nos.	58,369	37,705	54.8% 
Segment Revenue Rs.Crs	2190	1370	59.8% 
Segment Result Rs. Crs	175	(10)	186 





Over 16,000 Bookings as on 28th May 2009



The best just got better

FULL THROTTLE

The highlight of the revamped Scorpio is the stop-start technology which Mahindras refer to as Micro-hybrid



India's best SUV yet.

Autocar India

and ride quality though vastly improved still leaves a lot to be desired. However, the addition of more features and the substantial price reduction make the best Indian



Normally we don't really care for the facelift of a car that has been around for six years. But this one is different and the sheer effort behind it is praiseworthy. Apart from the design changes revolving around the front, sides and rear, it comes with better seats, better ergonomic features, the micro hybrid technology, more equipment, a better music system and the newer 2.2 engine as standard in all variants. For all these, they could have increased the price but they haven't. In fact, they have reduced the prices by Rs 34000-Rs 70000



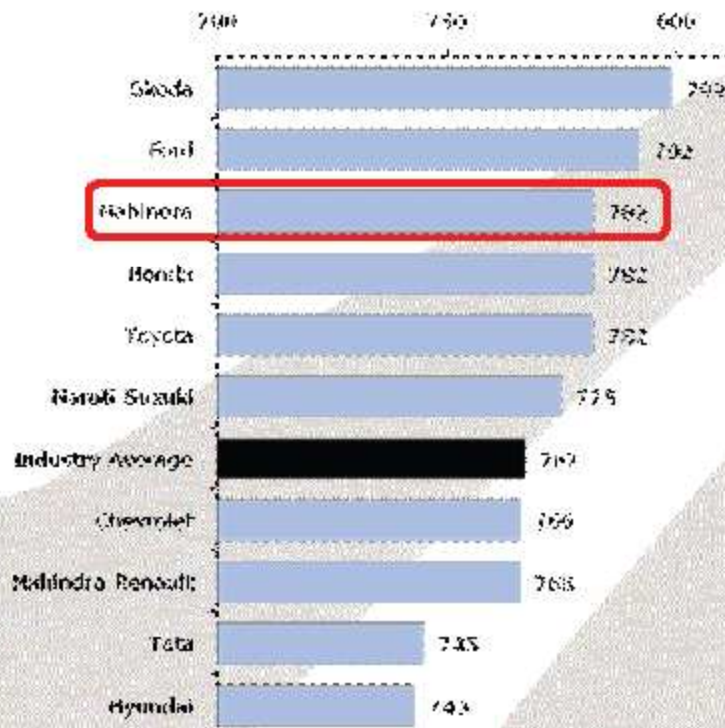
Major Highlights in F09

- Customer Satisfaction
- Hit Products
- New Launches
- India's first BS IV compliant launch
- India's First Micro Hybrid
- Progress on Chakan plant



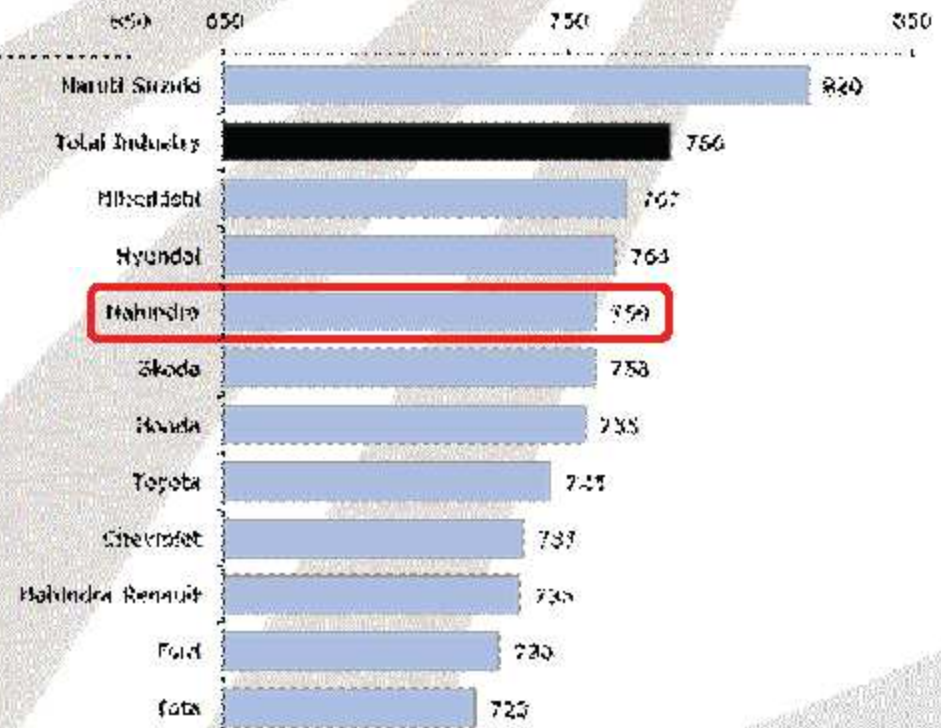
Ranked 3rd in SSI and 4th in CSI

JD Power SSI



Maintained 3rd Rank

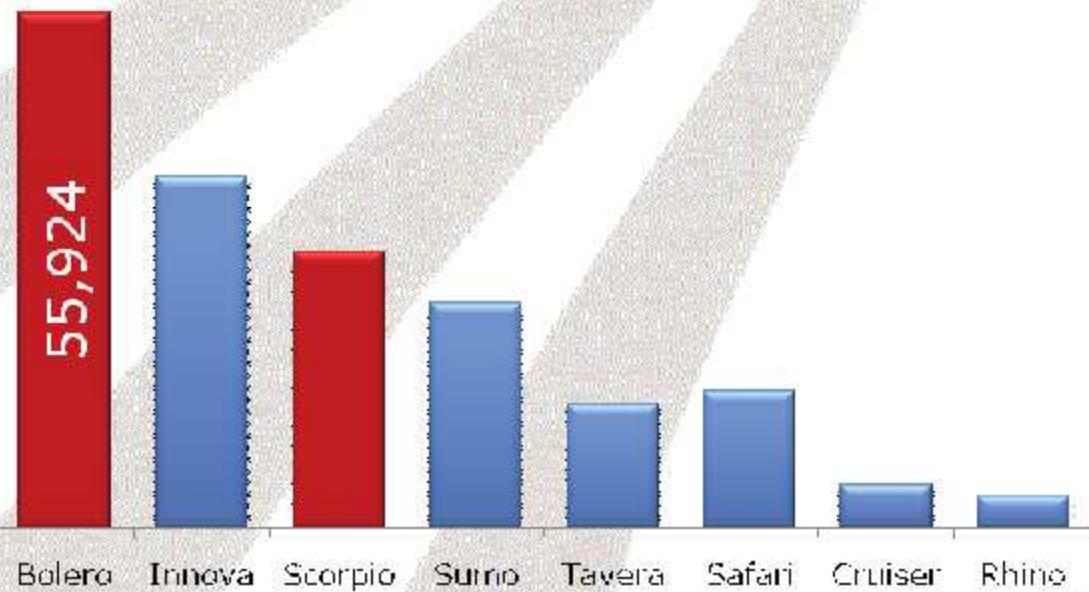
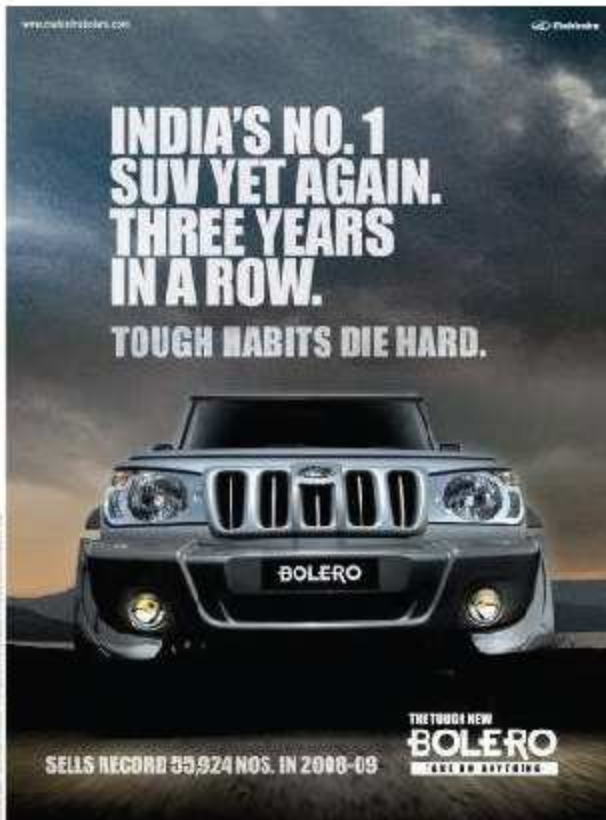
JD Power CSI



Moved from 7th to 4th rank
Improvement by 25 points



Bolero: India's Largest Selling SUV



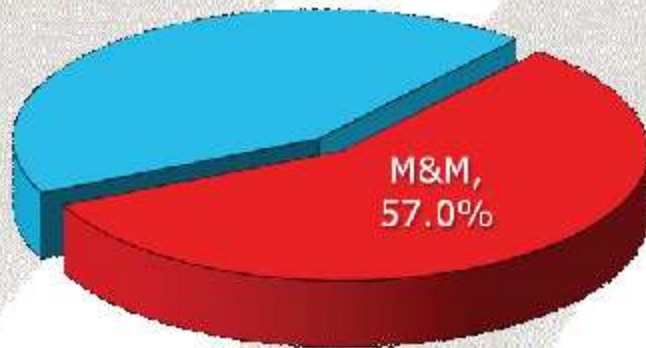
Source : Industry Data



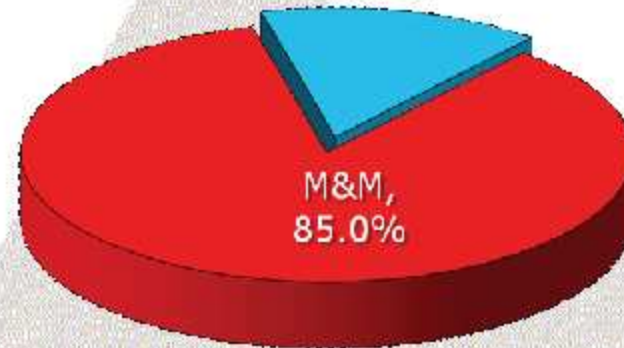
Dominating the PU Industry



PU Market Share F04



PU Market Share F09



Source : SIAM and Industry Data



F09 New Launches



Xylo (Jan.-09)



Bolero VLX (Sep.-08)



Scorpio Automatic
(Sep.-08)



Mighty Muscular Scorpio (Mar.-09)



Fuel Smart (Oct.-08)



India's First MicroHybrid



UTVi AutoCar Innovation of the Year Award for Micro Hybrid



F09 Domestic Market Performance

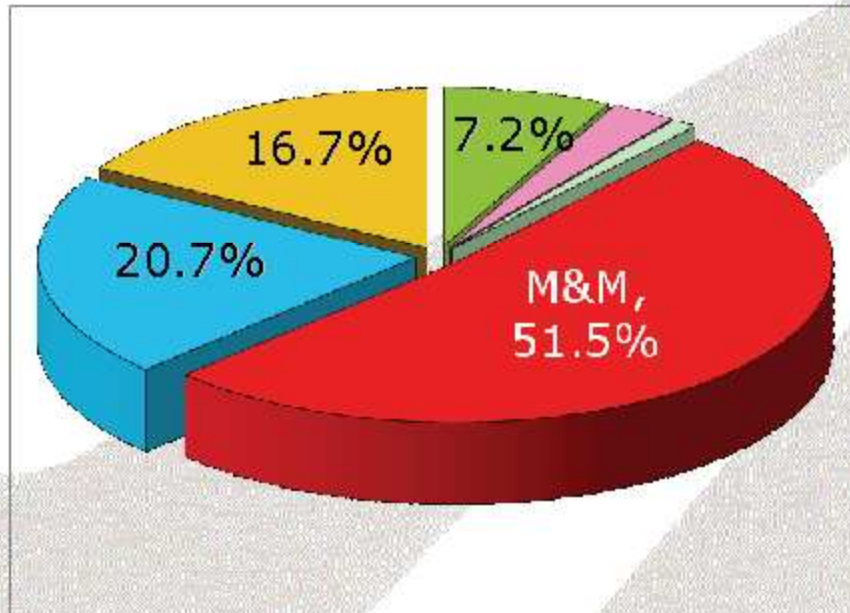
M&M Participating Segments	Industry		M&M			Market Share	
	F09	Growth	F09	F08	Growth	F09	F08
UVs	268,649	-7.4%	153,653	148,761	3.3%	● 57.2%	51.3%
Three Wheelers	345,129	-5.7%	44,533	33,927	31.3%	● 12.9%	9.3%
AD Total	613,778	-6.5%	198,186	182,688	8.5%		
LCVs (3.5 to 7.5T GVW)	52,705	-13.0%	8,604	10,403	-17.3%	● 16.3%	17.2%
Cars C-segment	246,011	12.2%	13,423	25,907	-48.2%	● 5.5%	11.8%
AS Total (Domestic)	912,494	-2.5%	220,213	218,998	0.6%		
Non Participating	1,364,366	-6.2%					
Total Industry	2,276,860	-4.8%	220,213	218,998	0.6%	● 9.7%	9.2%

Source : SIAM and Industry Data

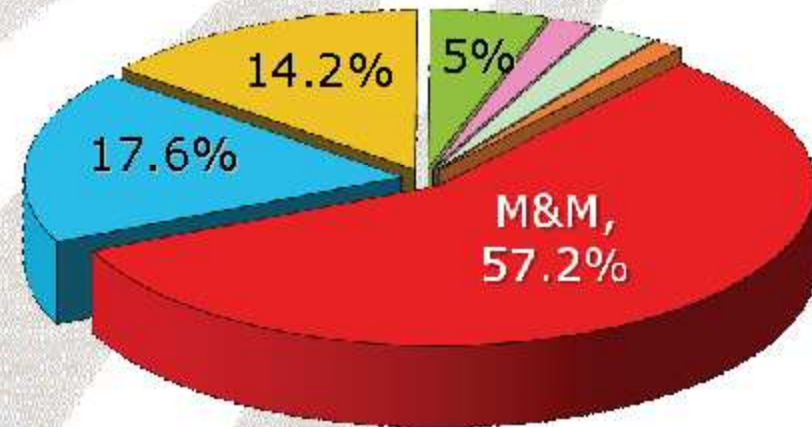


Dominating the UV Market

UV Market Share : India : F08



UV Market Share : India : F09



MS Increase by 5.9% points



Three Wheelers



3W	F09	F08	Growth
Industry	345,193	363,552	-5%
M&M	44,533	33,927	31%
M&M Share	13%	9%	4% pt.

High interest rates and Strict lending norms resulted in de-growth of the segment



Cars and LCVs



Logan Edge (Jul.-08)

	F09	F08	Growth
Industry	246,011	219,272	12%
MRPL (Domestic)	13,423	25,907	-48%
MRPL (Exports)	1,611	-	NA
MRPL Total	15,034	25,907	-42%



	F09	F08	Growth
Industry	52,705	60,591	-13%
MNAL	8,604	10,403	-17%



International Operations

F03 to F08 CAGR of 64%



F09	F08	Growth
8,501	12,359	-31%

H1 F09	H1 F08	Growth
6,128	5,196	18%

H2 F09	H2 F08	Growth
2,373	7,163	-67%



Chile Launch



Turkey Launch

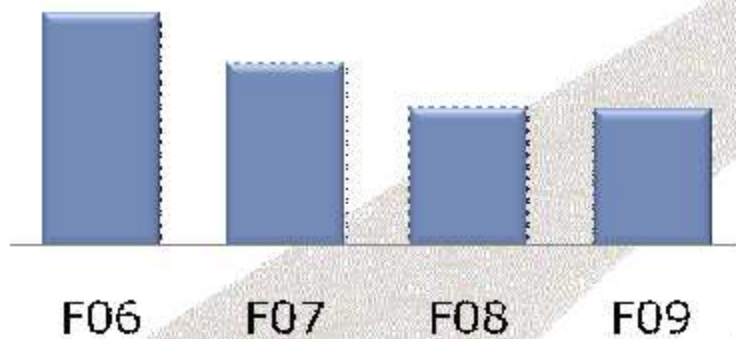


Xylo Launch South Africa



Highlights From Operations

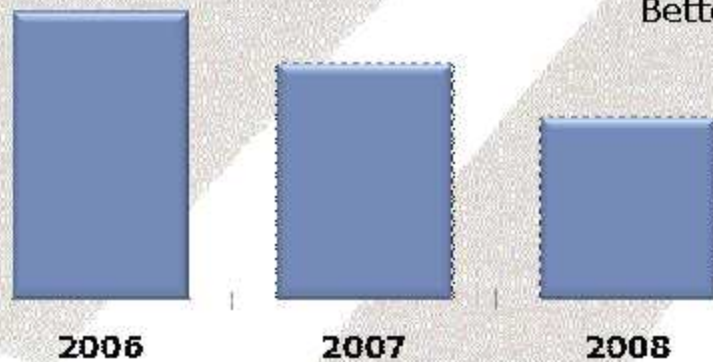
Inventory RM+WIP
(Avg. days)



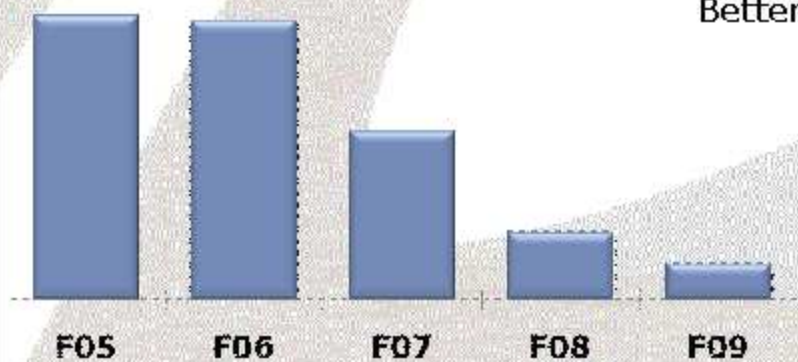
Productivity
(EWT min)



Warranty

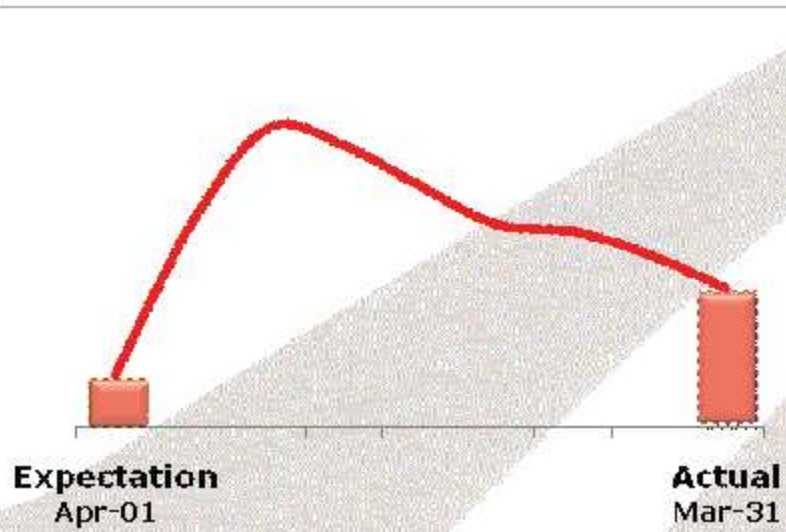


Safety Index

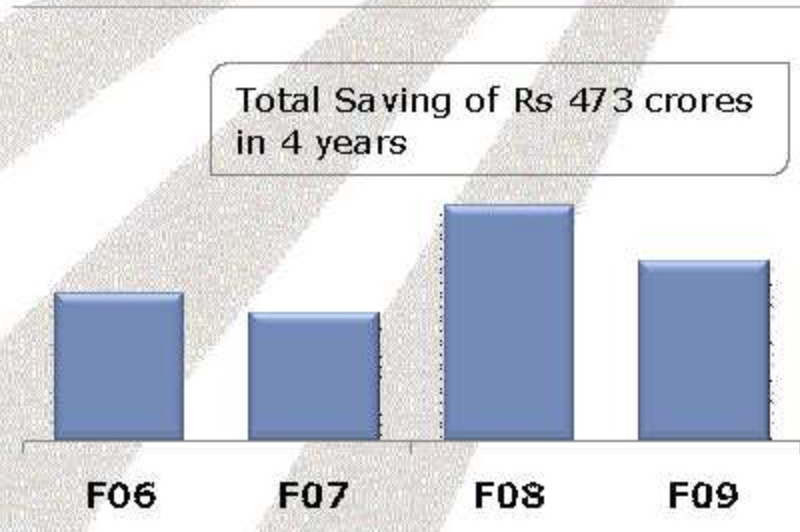


Material Cost

Material Cost Increase



Material Cost Reduction



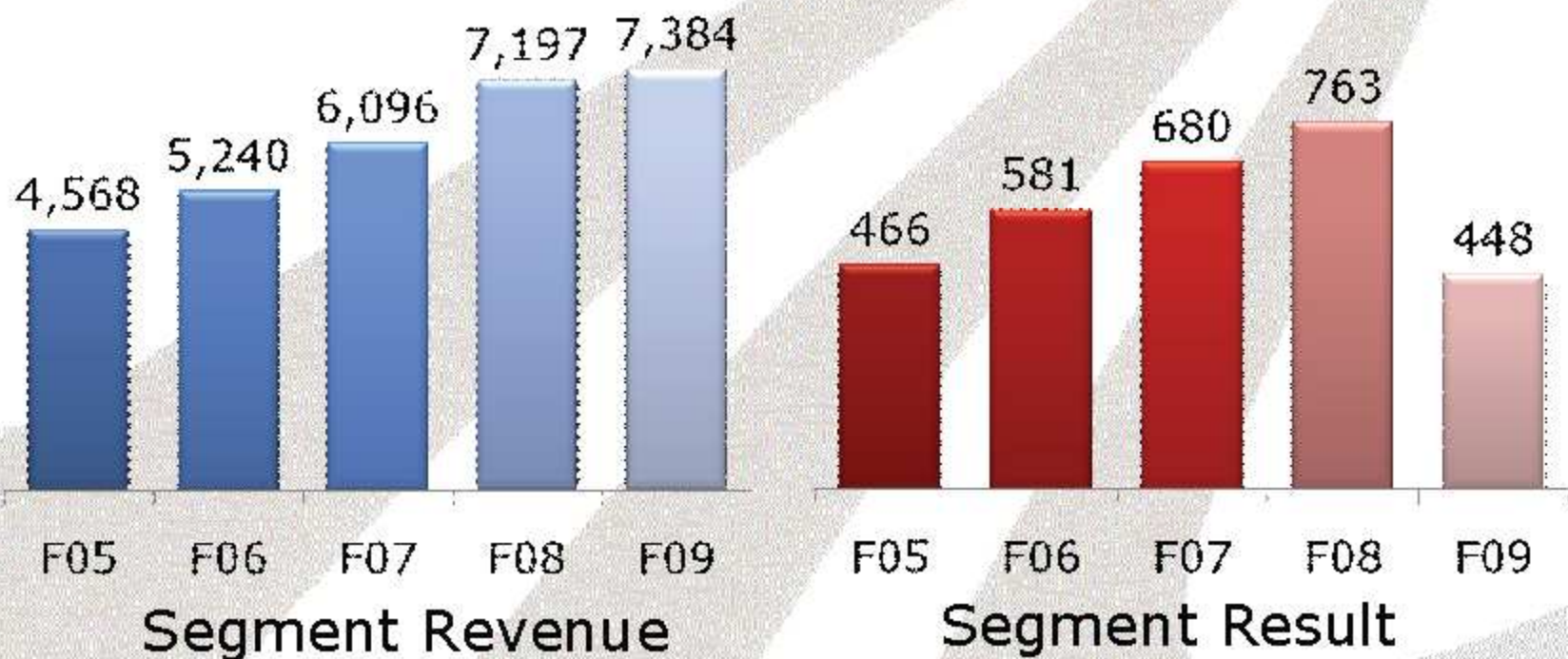
Unprecedented material cost increase



Adverse Impact Of Slowdown

Automotive Sector (Stand alone)

Rs. Crores



Impact of Material Cost Increase and DIE on Segment Result



Managing The Downturn

- Material Cost Reduction
- Save Operating Cost
- Lean Structure
- Capex Control
- Working Capital Management



What We Have Not Done

- Delay products or change their scope
- Postpone Greenfield plant or scope
- Delay payment to suppliers
- Allow inventory to build up
- Allow debtors to build up to increase sales
- Abandon market expansion plans
- Save on customer satisfaction initiatives



Recap

New Product Platforms

- Ingenio MPV
- New SUV
- Mass market platform for cargo and passenger applications
- New Truck and Bus platform

Xylo Launched
On Schedule

F10

F10



Recap

Focus for F09

- ✓ Continue UV domination
- ✓ Improve share in ~~LCV~~ and 3W
- ✗ Logan volume growth
- ✓ Aggressive cost reduction
- ✓ Continue focus on customer satisfaction
- ✓ New product development
- ✓ Launch of Ingenio MPV
- ✓ Strengthen position in Overseas markets
- ✓ Progress on New plant at Chakan



Focus for F10

- Continue UV domination
- Volume Growth
- Aggressive cost reduction
- Continue focus on customer satisfaction
- New product development
- Launch new products
- Overseas volume growth
- Commission Chakan plant



Thank You

