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Mahindra

**Mahindra & Mahindra Ltd.**
Mahindra Towers,
Dr. G. M. Bhosale Marg, Worli,
Mumbai 400 018 India

Tel: +91 22 24901441
Fax: +91 22 24975081

REF:NS:SEC:
31st October, 2014

The Secretary
National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051.

Dear Sir,

Sub: Clause 41 of the Listing Agreement – Unaudited Financial Results for the Second Quarter and Half Year ended 30th September, 2014.

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We are submitting the Unaudited Financial Results of Mahindra & Mahindra Limited for the Second Quarter and Half Year ended 30th September, 2014, together with a copy of the Press Release. We are also enclosing a Limited Review Report of the Financial Results for the Second Quarter ended 30th September, 2014 by our Statutory Auditors, M/s. Deloitte Haskins & Sells, Chartered Accountants.

Please acknowledge receipt of the same.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED

NARAYAN SHANKAR
COMPANY SECRETARY

Encl.

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# MAHINDRA & MAHINDRA LIMITED

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001.

Tel: +91 22 22021031, Fax: +91 22 22875485, Website: www.mahindra.com, Email: group.communications@mahindra.com, CIN No. L65990MH1945PLC004558

PART I

Rs. in lakhs

## STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

| Particulars | Quarter Ended | | | Half Year Ended | | Year Ended |
|---|---|---|---|---|---|---|
| | Sep-14 (Unaudited) | Jun-14 (Unaudited) | Sep-13 (Unaudited) | Sep-14 (Unaudited) | Sep-13 (Unaudited) | Mar-14 (Audited) |
| 1. Gross sales/income from operations | **990848** | 1059707 | 941475 | **2050555** | 2002202 | 4257504 |
| Less: Excise duty on sales | **49038** | 50102 | 60042 | **99140** | 130146 | 261168 |
| (a) Net sales/income from operations | **941810** | 1009605 | 881433 | **1951415** | 1872056 | 3996336 |
| (b) Other operating income | **12563** | 16585 | 11524 | **29148** | 23153 | 54514 |
| **Total Income from operations (net)** | **954373** | 1026190 | 892957 | **1980563** | 1895209 | 4050850 |
| 2. Expenses : | | | | | | |
| a. Cost of materials consumed | **531404** | 544728 | 511725 | **1076132** | 1045451 | 2163008 |
| b. Purchases of stock-in-trade | **182518** | 191063 | 176034 | **373581** | 362445 | 807692 |
| c. (Increase)/decrease in inventories of finished goods, work-in-progress & stock-in-trade | **(30112)** | 1869 | (49505) | **(28243)** | (38512) | (27467) |
| d. Employee benefits expense | **56873** | 58281 | 50237 | **115154** | 100072 | 216372 |
| e. Depreciation and amortisation expense | **24829** | 24795 | 19701 | **49624** | 37764 | 86334 |
| f. Other expenses (Net of cost of manufactured products capitalised) | **112769** | 103302 | 89972 | **216071** | 182515 | 419124 |
| g. Total expenses (a+b+c+d+e+f) | **878281** | 924038 | 798164 | **1802319** | 1689735 | 3665063 |
| **3 Profit from operations before other income, finance costs and exceptional items (1-2)** | **76092** | 102152 | 94793 | **178244** | 205474 | 385787 |
| 4. Other income (Note 1) | **48546** | 18951 | 36063 | **67497** | 52486 | 71799 |
| **5. Profit from ordinary activities before finance costs and exceptional items (3 + 4)** | **124638** | 121103 | 130856 | **245741** | 257960 | 457586 |
| 6. Finance costs | **4942** | 5857 | 6226 | **10799** | 11159 | 25922 |
| **7. Profit from ordinary activities after finance costs but before exceptional items (5 - 6)** | **119696** | 115246 | 124630 | **234942** | 246801 | 431664 |
| 8. Exceptional items | **-** | - | - | **-** | - | 5279 |
| **9. Profit from ordinary activities before tax (7 + 8)** | **119696** | 115246 | 124630 | **234942** | 246801 | 436943 |
| 10. Provision for tax expenses | **25033** | 27068 | 25680 | **52101** | 54060 | 61108 |
| **11. Net Profit from ordinary activities after tax (9 - 10)** | **94663** | 88178 | 98950 | **182841** | 192741 | 375835 |
| 12. Paid-up equity share capital (Face value Rs. 5 per share) | **29530** | 29516 | 29516 | **29530** | 29516 | 29516 |
| 13. Reserves and Surplus excluding Revaluation Reserve | | | | | | 1648524 |
| 14 a. Basic Earnings per share on Net Profit from ordinary activities after tax Rs. | **16.03** * | 14.94 * | 16.76 * | **30.97** * | 32.65 * | 63.67 |
| 14 b. Diluted Earnings per share on Net Profit from ordinary activities after tax Rs. | **15.33** * | 14.32 * | 16.07 * | **29.65** * | 31.34 * | 61.07 |
| 15. Debt service coverage ratio (DSCR)** | | | | **11.24** # | 8.44 # | |
| 16. Interest service coverage ratio (ISCR)*** | | | | **20.79** | 22.76 | |

* not annualised

\# annualised

** DSCR = (Profit before interest, tax and exceptional items) / (Interest expense + principal repayments)

*** ISCR = (Profit before interest, tax and exceptional items) / Interest expense

PART II

## SELECT INFORMATION FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

| Particulars | Quarter Ended | | | Half Year Ended | | Year Ended |
|---|---|---|---|---|---|---|
| | Sep-14 (Unaudited) | Jun-14 (Unaudited) | Sep-13 (Unaudited) | Sep-14 (Unaudited) | Sep-13 (Unaudited) | Mar-14 (Audited) |
| A. **PARTICULARS OF SHAREHOLDING** | | | | | | |
| 1. Aggregate of public shareholding#: | | | | | | |
| -Number of shares | **427921399** | 429059708 | 429701725 | **427921399** | 429701725 | 429416310 |
| -Percentage of shareholding | **68.89%** | 69.67% | 69.77% | **68.89%** | 69.77% | 69.72% |
| 2. Promoters and Promoter Group Shareholding# : | | | | | | |
| a. Pledged/Encumbered | | | | | | |
| -Number of shares | **12296000** | 12296050 | 12638500 | **12296000** | 12638500 | 12638500 |
| -Percentage of shares (as a % of the total shareholding of promoter and promoter group) | **7.68%** | 7.91% | 8.12% | **7.68%** | 8.12% | 8.11% |
| -Percentage of shares (as a % of the total share capital of the company) | **1.98%** | 2.00% | 2.05% | **1.98%** | 2.05% | 2.05% |
| b. Non-encumbered | | | | | | |
| -Number of shares | **147792854** | 143219687 | 142960291 | **147792854** | 142960291 | 143106199 |
| -Percentage of shares (as a % of the total shareholding of promoter and promoter group) | **92.32%** | 92.09% | 91.88% | **92.32%** | 91.88% | 91.89% |
| -Percentage of shares (as a % of the total share capital of the company) | **23.80%** | 23.25% | 23.21% | **23.80%** | 23.21% | 23.24% |

\# Excludes shares represented by Global Depository Receipts

| Particulars | Quarter Ended Sep-14 |
|---|---|
| B. **INVESTOR COMPLAINTS** | |
| Pending at the beginning of the quarter | 0 |
| Received during the quarter | 2 |
| Disposed of during the quarter | 2 |
| Remaining unresolved at the end of the quarter | 0 |

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**Segment wise Revenues, Results and Capital Employed :**

Rs. in lakhs

| | Quarter Ended | | | Half Year Ended | | Year Ended |
|---|---|---|---|---|---|---|
| | **Sep-14** | Jun-14 | Sep-13 | **Sep-14** | Sep-13 | Mar-14 |
| | **(Unaudited)** | (Unaudited) | (Unaudited) | **(Unaudited)** | (Unaudited) | (Audited) |
| A. Segment Revenue : (Net sales/income from operations & other operating income) | | | | | | |
| Automotive Segment | **613569** | 632684 | 578052 | **1246253** | 1190106 | 2616626 |
| Farm Equipment Segment | **340673** | 393285 | 314764 | **733958** | 704716 | 1433371 |
| Other Segments | **640** | 652 | 594 | **1292** | 1337 | 2511 |
| Total | **954882** | 1026621 | 893410 | **1981503** | 1896159 | 4052508 |
| Less: Intersegment Revenues | **509** | 431 | 453 | **940** | 950 | 1658 |
| Net sales/income from operations & other operating income | **954373** | 1026190 | 892957 | **1980563** | 1895209 | 4050850 |
| B. Segment Results (After exceptional item) | | | | | | |
| Automotive Segment | **39713** | 50358 | 54181 | **90071** | 110900 | 192553 |
| Farm Equipment Segment | **52319** | 66610 | 53446 | **118929** | 118718 | 245279 |
| Other Segments | **257** | 76 | 60 | **333** | 304 | 590 |
| Total Segment Results | **92289** | 117044 | 107687 | **209333** | 229922 | 438422 |
| Less : | | | | | | |
| Finance costs | **4942** | 5857 | 6226 | **10799** | 11159 | 25922 |
| Other un-allocable expenditure net off un-allocable income | **(32349)** | (4059) | (23169) | **(36408)** | (28038) | (24443) |
| Total Profit before tax | **119696** | 115246 | 124630 | **234942** | 246801 | 436943 |
| C. Capital Employed : (Segment assets - Segment liabilities) | | | | | | |
| Automotive Segment | **528268** | 532380 | 448057 | **528268** | 448057 | 475050 |
| Farm Equipment Segment | **377478** | 310268 | 332038 | **377478** | 332038 | 325022 |
| Other Segments | **437** | 459 | 1037 | **437** | 1037 | 376 |
| Total Segment Capital Employed | **906183** | 843107 | 781132 | **906183** | 781132 | 800448 |

**STANDALONE STATEMENT OF ASSETS AND LIABILITIES**

Rs. in lakhs

| | As at 30th September, 2014 (Unaudited) | As at 31st March, 2014 (Audited) |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **Shareholders' funds** | | |
| (a) Share capital | **29530** | 29516 |
| (b) Reserves and surplus | **1832517** | 1649603 |
| **Sub-total - Shareholders' funds** | **1862047** | 1679119 |
| **Non-current liabilities** | | |
| (a) Long-term borrowings | **358142** | 374442 |
| (b) Deferred tax liabilities (net) | **93735** | 88965 |
| (c) Other long-term liabilities | **65234** | 58627 |
| (d) Long-term provisions | **58912** | 51033 |
| **Sub-total - Non-current liabilities** | **576023** | 573067 |
| **Current liabilities** | | |
| (a) Short-term borrowings | **43** | 74 |
| (b) Trade payables | **584273** | 606880 |
| (c) Other current liabilities | **142767** | 113356 |
| (d) Short-term provisions | **67848** | 156369 |
| **Sub-total - Current liabilities** | **794931** | 876679 |
| **TOTAL - EQUITY AND LIABILITIES** | **3233001** | 3128865 |
| **ASSETS** | | |
| **Non-current assets** | | |
| (a) Fixed assets | **747812** | 710539 |
| (b) Non-current investments | **1029301** | 978773 |
| (c) Long-term loans and advances | **327977** | 301812 |
| (d) Other non-current assets | **10518** | 8849 |
| **Sub-total - Non-current assets** | **2115608** | 1999973 |
| **Current assets** | | |
| (a) Current investments | **19049** | 159212 |
| (b) Inventories | **311605** | 280363 |
| (c) Trade receivables | **285615** | 250984 |
| (d) Cash and bank balances | **216633** | 295039 |
| (e) Short-term loans and advances | **111004** | 94583 |
| (f) Other current assets | **173487** | 48711 |
| **Sub-total - Current assets** | **1117393** | 1128892 |
| **TOTAL - ASSETS** | **3233001** | 3128865 |

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Notes:

Rs. in lakhs

| Quarter Ended | | | Half Year Ended | | Year Ended |
|---|---|---|---|---|---|
| **Sep-14** | Jun-14 | Sep-13 | **Sep-14** | Sep-13 | Mar-14 |
| **(Unaudited)** | (Unaudited) | (Unaudited) | **(Unaudited)** | (Unaudited) | (Audited) |
| **18359** | 8914 | 16972 | **27273** | 25072 | 25072 |

1. Other Income includes dividend received from subsidiaries
2. As sanctioned by the Honourable High Court of Bombay which became effective on 30th March 2014, the full year results of the Trucks Business was transferred from Mahindra Trucks and Buses Limited and was included in the results for the quarter ended 31st March, 2014. The results of the current quarter and half year are therefore not strictly comparable to the quarter and half year ended 30th September 2013 presented.
3. Pursuant to the enactment of the Companies Act 2013 (the 'Act'), the Company has reviewed the estimated economic useful lives of its fixed assets generally in accordance with that provided in the Schedule II to the Act. As a result (after considering the transitional provision specified in the schedule II), the Depreciation charge for the current quarter and half year ended 30th September, 2014 is higher by Rs. 2931 Lakhs and Rs. 6208 Lakhs respectively. Further, an amount of Rs. 5367 Lakhs (net of tax Rs. 3543 Lakhs) has been debited to retained earnings in accordance with the transitional provision specified in the schedule II.
4. During the quarter the Company has allotted 5200000 Ordinary (Equity) shares to the Mahindra & Mahindra Employees' Stock Option Trust for further issue under the Employee Stock Option Scheme/s. The Share Capital will reflect the increase when the options are exercised by the employees.
5. During the quarter Mahindra UNIVEG Private Limited, MHR Holdings (Mauritius) Limited , Covington S.à r.l. , Lords Freight (India) Private Limited became subsidiaries of the Company. Miryalguda Farm Solution Limited ceased to be a associate and became subsidiary of the Company. Bell Tower Resorts Private Limited and Mahindra Gears Cyprus Limited ceased to be subsidiaries of the Company. Mahindra Conveyor Systems Private Limited ceased to be a subsidiary and became an associate of the Company.
6. Previous period's / year's figures have been regrouped wherever necessary, in order to make them comparable.
7. The above results were approved by the Board of Directors of the Company at the Board Meeting held on 31st October, 2014.
8. In compliance with Clause 41 of the Listing Agreement with the Stock Exchanges, a limited review of the results for the quarter ended 30th September, 2014 has been carried out by the Statutory Auditors.

For and on behalf of the Board of Directors

Anand G. Mahindra
Chairman & Managing Director

Mumbai, 31st October, 2014

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# Deloitte Haskins & Sells

Chartered Accountants
Tower 3, 27th - 32nd Floor
Indiabulls Finance Centre
Elphinstone Mill Compound
Senapati Bapat Marg
Elphinstone (W), Mumbai - 400 013
India

Tel: +91 (22) 6185 4000
Fax: +91 (22) 6185 4501/4601

**INDEPENDENT AUDITORS' REVIEW REPORT TO THE BOARD OF DIRECTORS OF MAHINDRA & MAHINDRA LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **MAHINDRA & MAHINDRA LIMITED** ("the Company") for the Quarter and Half Year Ended 30th September, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Half Year Ended 30th September, 2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm Registration No.117364W)

Shyamak R Tata
Partner
(Membership No. 38320)

**Mumbai,** 31st October, 2014

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**MAHINDRA & MAHINDRA LIMITED**

Registered Office: Gateway Building, Apollo Bunder, Mumbai 400 001.
Tel: +91 22 22021031, Fax: +91 22 22875485
Website: www.mahindra.com, Email: group.communications@mahindra.com
CIN No. L65990MH1945PLC004558

**Press Release**

**Mumbai, 31st October 2014:** The Board of Directors of Mahindra and Mahindra Limited today announced the unaudited financial results for the quarter ended 30th September 2014 of the company and the consolidated Mahindra Group.

Mahindra Vehicle Manufacturers Limited (MVML), located at Chakan near Pune, was set up as a 100% subsidiary of the company with a view to sourcing contemporary products for expanding the market offerings of the company. Hence it is a critical part of its business and only the combined results of the company and MVML can provide a comprehensive view of company's performance.

**Q2 F2015 – M&M + MVML Results**

In Q4 F2014 under a scheme of arrangement the truck business of M&M's subsidiary Mahindra Trucks and Buses Limited (MTBL) demerged from the subsidiary and merged with M&M.

On a comparable basis the Gross Revenues and Other Income of Mahindra & Mahindra Limited and MVML (Entity) during the quarter ended 30th September 2014 was **Rs. 10400.9 crore** as against Rs. 9931.2 crore in Q2 of the previous year – **a growth of 4.7%**. The Net Profit before tax for the current quarter is **Rs. 1240.1 crore** as against Rs.1197.1 crore in Q2 of the previous year. After providing for tax the same is **Rs. 974.1 crore** as against Rs. 957.4 crore in Q2 of the previous year - **a growth of 1.7%**.

The automotive industry in India though showing some initial signs of recovery is still sometime away from a full recovery. A below average and delayed monsoon in some parts of the country aggravated further with crop damage due to cyclones has led to the domestic tractor industry remaining flat in Q2 FY15 as compared to Q2 FY14. The Company however, continues to meet these challenges through its strong focus on costs and delivering value through new and improved products.

During the current quarter the Company unveiled its New Generation Scorpio. The New Generation Scorpio is built on an all new platform and comes with contemporary, more aggressive exterior styling and advanced technology features. The New Generation Scorpio received a very positive feedback from Auto journalists and customers and will help strengthen the already Iconic Scorpio Brand.

The Company also launched new Arjun Novo, the most technologically advanced and stylishly designed new generation tractor, based on a whole new platform boasting of many first of its kind features. The Arjun Novo also has received very positive feedback.

The Entity sold 47906 utility vehicles and continued its leadership position with a market share of 33.2%. The Entity also exported 7053 Vehicles in the current quarter.

The domestic tractor industry had sales of 141560 tractors in Q2 FY15. The Entity sold 57701 tractors in the domestic market in the current quarter as compared to 57549 tractors sold in Q2 previous year. The Entity continued to maintain its leadership position with a market share of 40.6%. The Entity exported 3695 tractors in the current quarter.

**Q2 F2015 – M&M Standalone results**

The Gross Revenues and Other Income of Mahindra & Mahindra Limited for the quarter ended 30th September 2014 is **Rs. 10519.6 crore** as against Rs. 9890.6 crore in the corresponding quarter last year. The Net Profit after tax for the quarter is **Rs. 946.6 crore** as against Rs. 989.5 crore in the corresponding quarter last year.

On a comparable basis the Gross Revenues and Other Income is **Rs. 10519.6 crore** as against Rs. 10044.5 crore in the corresponding quarter last year. The Net Profit after tax for the current quarter is **Rs. 946.6 crore** as against Rs. 919.2 crore in the corresponding quarter last year.

**H1 F2015 – M&M + MVML Results**

On a comparable basis the Gross Revenues and other income of the Entity during the half year ended 30th September 2014 is **Rs. 21224.2 crore** as against Rs. 20873.9 crore in the corresponding period previous year. The Profit after tax for the current half year is **Rs. 1870.5 crore** as against Rs. 1817.2 crore in the corresponding previous half year – **a growth of 2.9%.**

**H1 F2015 – M&M Standalone Results**

The Gross Revenues and Other Income of Mahindra & Mahindra Ltd. for the half year ended 30th September 2014 is **Rs. 21472.0 crore** as against Rs. 20778.4 crore during the corresponding period last year. The Net Profit after tax is **Rs. 1828.4 crore** for the current half year as against Rs. 1927.4 crore in the corresponding period last year.

On a comparable basis the Gross Revenues and Other Income is **Rs. 21472.0 crore** as against Rs. 21172.0 crore in the corresponding period of the previous year. The Net Profit after tax for the current half year is **Rs. 1828.4 crore** as against Rs. 1807.3 crore in the corresponding period last year.

**Q2 F2015 – Group Consolidated Results**

The consolidated Gross Revenues and Other Income of the Group for the Quarter ended 30th September 2014 is **Rs. 18467.7 crore (USD 3.0 billion)** as against Rs.18675.6 crore (USD 3.1 billion) in the corresponding quarter of the previous year. The consolidated profit after tax after minority interest for the current quarter is **Rs. 794.0 crore (USD 130.1 million)** as compared to Rs. 835.7 crore (USD 136.9 million) in the corresponding quarter of the previous year.

**H1 F2015 – Group Consolidated Results**

The Gross Revenues and Other Income for the half year ended 30th September 2014 is **Rs. 38387.6 crore (USD 6.3 billion)** as against Rs. 38031.6 crore (USD 6.2 billion) in the corresponding period of the previous year. The consolidated profit after tax after minority interest for the current half year is **Rs. 1755.8 crore (USD 287.6 million)** as compared to Rs. 1803.8 crore (USD 295.5 million) in the corresponding period of the previous year.

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The Group as on 30th September 2014 comprised of 119 Subsidiaries, 7 Joint Ventures and 15 Associates. A full summation of Gross Revenues and other income of all the group companies taken together for the half year ended 30th September 2014 is **Rs. 50503.2 crore (USD 8.3 billion).**

**Outlook:**

India's economic growth has witnessed some weakness in recent months with YoY IIP growth decelerating from 3.9% in the first quarter of this fiscal to a meagre 0.4% in July and August. On the positive side, price pressures have eased considerably with headline CPI Inflation decelerating to 6.5% YoY in September while WPI inflation in the same month hit a 5 year low of 2.38% YoY. India's CAD also remains well in check, dropping to 1.7% of GDP in the first quarter of this fiscal year, from 4.8% in Q1 F14. With the outlook on commodity and crude oil prices remaining benign, and non-oil exports witnessing an acceleration YTD, the country's balance of payments position is likely to remain comfortable through the year. While the weak South West monsoon season this year will undoubtedly have some negative impact on the Kharif harvest, live storage at water reservoirs is currently at 78%, above the ten year average of 76%, which bodes well for the winter /rabi agricultural season. Furthermore, the recent verdicts in state elections and the slew of actions on the labour, coal blocks and reforms on the fuel price front have created an environment of policy action which will help support infrastructural and industrial growth in the medium term.

The outlook for Indian agriculture growth for the Financial Year is muted. The global economic and political scenario remains weak and uncertain. Geo-political tensions are rife across the globe at present and should these escalate a negative impact on growth prospects would be inevitable. Thus, while recognizing the improved domestic environment and potential growth momentum in the medium term, we remain alert to volatility in the short term.

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**Note:** Translation of rupee to dollar is a convenience translation at the average exchange rate for the twelve month period ended 30th September 2014.

**THE UNAUDITED COMBINED RESULTS OF MAHINDRA & MAHINDRA LIMITED AND MAHINDRA VEHICLE MANUFACTURERS LIMITED**

**Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001.**

**Tel: +91 22 22021031, Fax: +91 22 22875485, Website: www.mahindra.com, Email: group.communications@mahindra.com, CIN No. L65990MH1945PLC004558**

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Rs. crores

| | | Quarter ended 30th Sept | | | | Half Year ended 30th Sept | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | 2014 | | 2013 | | 2014 | | 2013 | |
| | | Amount | % to Net sales | Amount | % to Net sales | Amount | % to Net sales | Amount | % to Net sales |
| 1. | Gross sales & operating income | **9910.26** | **107.98** | 9570.24 | 110.08 | **20588.89** | **107.88** | 20415.35 | 110.27 |
| | Less: Excise duty on sales | **732.41** | **7.98** | 876.03 | 10.08 | **1503.73** | **7.88** | 1900.89 | 10.27 |
| | Total Income from Operations (Net) | **9177.85** | **100.00** | 8694.21 | 100.00 | **19085.16** | **100.00** | 18514.46 | 100.00 |
| 2. | Expenses : | | | | | | | | |
| a. | Material costs | **6307.23** | **68.72** | 5984.62 | 68.83 | **13101.05** | **68.65** | 12,901.74 | 69.68 |
| b. | Employee benefits expense | **609.25** | **6.64** | 555.09 | 6.38 | **1233.15** | **6.46** | 1,107.04 | 5.98 |
| c. | Depreciation and amortisation expense | **278.32** | **3.03** | 245.18 | 2.82 | **558.53** | **2.93** | 473.73 | 2.56 |
| d. | Other expenses (Net of cost of manufactured products capitalised) | **1160.92** | **12.65** | 976.76 | 11.24 | **2231.28** | **11.68** | 1,975.32 | 10.67 |
| e. | Total expenses (a+b+c+d) | **8355.72** | **91.04** | 7761.65 | 89.27 | **17124.01** | **89.72** | 16457.83 | 88.89 |
| **3.** | **Profit from operations before Other Income and Finance Costs (1 - 2)** | **822.13** | **8.96** | 932.56 | 10.73 | **1961.15** | **10.28** | 2056.63 | 11.11 |
| 4. | Other income | **490.60** | **5.34** | 360.94 | 4.15 | **635.29** | **3.32** | 458.52 | 2.47 |
| **5.** | **Profit from ordinary activities before Finance Costs (3 + 4)** | **1312.73** | **14.30** | 1293.50 | 14.88 | **2596.44** | **13.60** | 2515.15 | 13.58 |
| 6. | Finance costs | **72.67** | **0.79** | 96.37 | 1.11 | **154.30** | **0.80** | 179.47 | 0.96 |
| **7.** | **Profit from ordinary activities before tax (5 - 6)** | **1240.06** | **13.51** | 1197.13 | 13.77 | **2442.14** | **12.80** | 2335.68 | 12.62 |
| 8. | Provision for tax expenses | **266.01** | **2.90** | 239.76 | 2.76 | **571.69** | **3.00** | 518.53 | 2.81 |
| **9.** | **Net Profit from ordinary activities after tax (7 - 8)** | **974.05** | **10.61** | 957.37 | 11.01 | **1870.45** | **9.80** | 1817.15 | 9.81 |

Mahindra Vehicle Manufacturers Limited (MVML), a 100% subsidiary of the Company.

Note : The combined figures of M&M + MVML have not been subjected to Limited Review

Previous period's figures have been regrouped wherever necessary, in order to make them comparable .

Trucks Business of Mahindra Trucks and Buses Limited (MTBL) demerged and got merged with M&M in Q4 F2014. Results of quarter and half year ended 30th Sept 2013 includes the figures of Trucks Business of MTBL to make it comparable

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THE UNAUDITED COMBINED RESULTS OF MAHINDRA & MAHINDRA LIMITED AND MAHINDRA VEHICLE MANUFACTURERS LIMITED

Registered Office : Gateway Building, Apollo Bunder, Mumbai 400 001.
Tel: +91 22 22021031, Fax: +91 22 22875485, Website: www.mahindra.com, Email: group.communications@mahindra.com, CIN No. L65990MH1945PLC004558

Rs. crores

**Segment wise Revenues, Results and Capital Employed :**

| | Quarter ended 30th Sept | | Half Year ended 30th Sept | |
|---|---|---|---|---|
| | **2014** | 2013 | **2014** | 2013 |
| | **Amount** | Amount | **Amount** | Amount |
| A. Segment Revenue : ( Net Sales & Operating income) | | | | |
| Automotive Segment | **5793.04** | 5588.47 | **11781.64** | 11569.09 |
| Farm Equipment Segment | **3406.73** | 3147.64 | **7339.58** | 7047.16 |
| Other Segments | **6.40** | 5.94 | **12.92** | 13.37 |
| Total | **9206.17** | 8742.05 | **19134.14** | 18629.62 |
| Less : Intersegment Revenue | **28.32** | 47.84 | **48.98** | 115.16 |
| Net Sales & Operating Income | **9177.85** | 8694.21 | **19085.16** | 18514.46 |
| B. Segment Results (After Exceptional item) : | | | | |
| Automotive Segment | **460.21** | 526.40 | **1084.53** | 1111.93 |
| Farm Equipment Segment | **523.19** | 534.46 | **1189.29** | 1187.18 |
| Other Segments | **2.57** | 0.60 | **3.33** | 3.04 |
| Unrealised Profit | **0.46** | (0.48) | **0.12** | (0.30) |
| Total Segment Results | **986.43** | 1060.98 | **2277.27** | 2301.85 |
| Less : | | | | |
| Finance costs | **72.67** | 96.37 | **154.30** | 179.47 |
| Other un-allocable expenditure net off un-allocable income | **(326.30)** | (232.52) | **(319.17)** | (213.30) |
| Total Profit before tax | **1240.06** | 1197.13 | **2442.14** | 2335.68 |
| C. Capital Employed :( Segment assets - Segment liabilities ) | | | | |
| Automotive Segment | **7720.05** | 7366.10 | **7720.05** | 7366.10 |
| Farm Equipment Segment | **3774.78** | 3320.38 | **3774.78** | 3320.38 |
| Other Segments | **4.37** | 10.37 | **4.37** | 10.37 |
| Unrealised Profit | **(0.25)** | (0.75) | **(0.25)** | (0.75) |
| Total Segment Capital Employed | **11498.95** | 10696.10 | **11498.95** | 10696.10 |

Mahindra Vehicle Manufacturers Limited (MVML), a 100% subsidiary of the Company.

Note : The combined figures of M&M + MVML have not been subjected to Limited Review

Previous period's figures have been regrouped wherever necessary, in order to make them comparable .

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THE UNAUDITED COMBINED RESULTS OF MAHINDRA & MAHINDRA LIMITED AND MAHINDRA VEHICLE MANUFACTURERS LIMITED

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## STATEMENT OF ASSETS & LIABILITIES

Rs. crores

| | As at 30th Sept, 2014 | As at 31st March, 2014 |
|---|---|---|
| **EQUITY AND LIABILITIES** | | |
| **SHAREHOLDERS' FUNDS** | | |
| (a) Share capital | **295.30** | 295.16 |
| (b) Reserves and surplus | **18886.86** | 17027.24 |
| **Sub-total - Shareholders' funds** | **19182.16** | 17322.40 |
| **NON CURRENT LIABILITIES** | | |
| (a) Long term borrowings | **4111.42** | 4307.10 |
| (b) Deferred tax liabilities | **1102.10** | 1051.15 |
| (c) Other long term liabilities | **652.34** | 586.27 |
| (d) Long term provisions | **645.18** | 557.14 |
| **Sub-total - Non current liabilities** | **6511.04** | 6501.66 |
| **CURRENT LIABILITIES** | | |
| (a) Short term borrowings | **0.43** | 0.74 |
| (b) Trade payables | **6101.32** | 6365.51 |
| (c) Other current liabilities | **1861.30** | 1577.86 |
| (d) Short term provisions | **695.68** | 1578.40 |
| **Sub-total - Current liabilities** | **8658.73** | 9522.51 |
| **TOTAL - EQUITY AND LIABILITIES** | **34351.93** | 33346.57 |
| **ASSETS** | | |
| **NON CURRENT ASSETS** | | |
| (a) Fixed assets | **9411.91** | 9055.48 |
| (b) Non current investments | **9333.56** | 8828.28 |
| (c) Long term loans and advances | **3754.05** | 3345.78 |
| (d) Other non current assets | **105.18** | 88.49 |
| **Sub-total - Non current assets** | **22604.70** | 21318.03 |
| **CURRENT ASSETS** | | |
| (a) Current investments | **213.49** | 1636.12 |
| (b) Inventories | **3562.72** | 3173.29 |
| (c) Trade receivables | **2733.36** | 2401.67 |
| (d) Cash and bank balances | **2217.97** | 3141.39 |
| (e) Short term loans and advances | **1159.61** | 1030.89 |
| (f) Other current assets | **1860.08** | 645.18 |
| **Sub-total - Current assets** | **11747.23** | 12028.54 |
| **TOTAL - ASSETS** | **34351.93** | 33346.57 |

Mahindra Vehicle Manufacturers Limited (MVML), a 100% subsidiary of the Company.

Note: The combined figures of M&M + MVML have not been subjected to Limited Review
Previous year's figures have been regrouped wherever necessary, in order to make them comparable .

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# MAHINDRA & MAHINDRA LIMITED

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## STATEMENT ON UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2014

(Rs crores)

| Particulars | Quarter ended 30th September | | Half year ended 30th September | | Year ended 31st March |
|---|---|---|---|---|---|
| | 2014 | 2013 | 2014 | 2013 | 2014 |
| Gross Revenue & Other Income | 18,467.74 | 18,675.55 | 38,387.59 | 38,031.58 | 78,735.72 |
| PAT after Minority Interest | 793.96 | 835.73 | 1,755.77 | 1,803.76 | 4,666.93 |
| Basic Earning per share (not annualised*) Rs. | 13.45 * | 14.16 * | 29.74 * | 30.56 * | 79.06 |
| Diluted Earning per share (not annualised*) Rs. | 12.86 * | 13.57 * | 28.47 * | 29.33 * | 75.83 |

Note:

1. The above results for the quarters & half years ended, September have not been subjected to a limited review by Statutory Auditors.
2. Mahindra CIE Automotive Limited (formerly known as Mahindra Forgings Limited) and Mahindra Hinoday Industries Limited have ceased to be subsidiaries effective 4th October 2013, hence their results were included for consolidation only upto Q2 F2014. The result for the current quarter and half year end therefore is not strictly comparable with that of the corresponding periods in the previous year.
3. Previous period's / year's figures have been regrouped / restated wherever necessary.

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**Mahindra & Mahindra Group**
**Segment Revenues and Segment Results**

(Rs Crores)

| Sector | Q2 FY 2015 | | Q2 FY 2014 | | H1 FY 2015 | | H1 FY 2014 | |
|---|---|---|---|---|---|---|---|---|
| | Net External Revenue | Results | Net External Revenue | Results | Net External Revenue | Results | Net External Revenue | Results |
| Automotive | 10,466.57 | 366.31 | 10,474.73 | 500.54 | 21,577.38 | 768.75 | 21,079.29 | 1,105.37 |
| Farm Equipment | 3,994.47 | 516.26 | 3,741.62 | 532.22 | 8,733.96 | 1,195.05 | 8,270.15 | 1,186.61 |
| IT Services | 87.30 | 9.06 | 65.24 | 7.26 | 168.29 | 16.65 | 130.52 | 11.44 |
| Financial Services | 1,474.01 | 341.88 | 1,292.64 | 358.80 | 2,855.80 | 602.06 | 2,462.42 | 668.86 |
| Steel Trading & Processing | 317.75 | 24.80 | 275.23 | 19.77 | 643.13 | 45.93 | 584.98 | 39.04 |
| Infrastructure | 184.18 | 38.83 | 198.98 | 46.91 | 610.33 | 328.50 | 377.96 | 97.32 |
| Hospitality | 200.45 | 34.25 | 203.80 | 37.67 | 392.23 | 59.91 | 390.32 | 60.67 |
| Systech | 619.33 | (22.26) | 1,290.23 | (11.65) | 1,233.19 | (36.17) | 2,575.67 | (5.29) |
| Others | 839.07 | (105.80) | 790.26 | (143.20) | 1,641.88 | (222.86) | 1,452.18 | (246.44) |
| Add / (Less): Inter segment revenue \ results | (728.18) | (27.47) | (784.98) | (14.95) | (1,476.46) | (23.34) | (1,645.72) | (13.52) |
| **Total Segment Revenue and Results** | **17,454.95** | **1,175.86** | **17,547.75** | **1,333.37** | **36,379.73** | **2,734.48** | **35,677.77** | **2,904.06** |
| Net Unallocable (Expenses) / Gains | | (34.85) | | (34.48) | | (140.33) | | (113.91) |
| Net unallocable Interest (Expense) | | (131.93) | | (183.03) | | (274.69) | | (400.85) |
| Net unallocable Interest Income | | 80.05 | | 83.10 | | 163.41 | | 144.39 |
| Exceptional items Income / (Expense) | | 20.19 | | - | | 20.19 | | - |
| Profit before tax | | 1,109.32 | | 1,198.96 | | 2,503.06 | | 2,533.69 |
| Current/Deferred taxes | | (452.61) | | (457.40) | | (978.19) | | (924.00) |
| Profit After Tax | | 656.71 | | 741.56 | | 1,524.87 | | 1,609.69 |
| Add / (Less)- Share of Associates | | 208.81 | | 185.80 | | 395.34 | | 370.99 |
| Add / (Less) : Minority Interest | | (71.56) | | (91.63) | | (164.44) | | (176.92) |
| **Consolidated PAT after MI** | | **793.96** | | **835.73** | | **1,755.77** | | **1,803.76** |

Note:

1. The above results have not been subjected to a limited review by Statutory Auditors.

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