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Mahindra

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REF:NS:SEC:
9th February, 2013

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: Statement on Joint Venture

Please find enclosed a Press Release pertaining to the captioned subject issued by the Company.

Kindly take the above on record.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED

NARAYAN SHANKAR
COMPANY SECRETARY

Encl: as above.

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Mahindra

BAE SYSTEMS

February 9, 2013

Statement on Joint Venture

NEW DELHI–Since the establishment in 2009 of the Mahindra & Mahindra (74%) and BAE Systems (26%) Joint Venture, Defence Land Systems India (DLSI), there has been significant evolution in the Indian Land Systems market. Developments in both the industry environment and in customer procurement frameworks and acquisition strategies have led the shareholders to conduct a strategic review of the DLSI business.

Following that review, it has been jointly agreed that Mahindra & Mahindra will acquire BAE Systems' 26 per cent shareholding in the entity. This decision is a reflection of the shareholders' belief that they can best meet emerging customer requirements and address the opportunities in this dynamic market with a flexible, tailored approach that was not easily facilitated by the structure of the existing Joint Venture entity.

This decision will enable both companies to consider each opportunity on a case by case basis, including continuing to explore opportunities for co-operating on specific defence projects.

Brigadier (Retd.) Khutub Hai, Chairman and Managing Director, Mahindra Defence Systems, said, "In keeping with the Indian defence acquisition scenario and current market considerations, the managements of Mahindra & Mahindra and BAE Systems have decided that Mahindra's 100% subsidiary Mahindra Defence Systems will acquire BAE Systems' 26 per cent shareholding in the Defence Land Systems India (DLSI) joint venture. This is a strategic decision and will enable both the companies to approach opportunities individually and to offer customised solutions to meet the needs of the Indian defence land systems domain. We have had a fruitful association with BAE Systems and look forward to working with them in the future on a case by case basis keeping in view the strengths and capabilities that each of us brings to the specific project or opportunity."

Dean McCumiskey, Managing Director and Chief Executive, India, BAE Systems, said, "India is a key international market for BAE Systems. The country's ambitious plans for modernization and expansion of the armed forces and focus on developing self-reliance in defence present considerable opportunities for us. Building domestic capabilities in partnership with Indian companies will remain a cornerstone of our strategy in India. We look forward to opportunities to collaborate with Mahindra and others to enhance the role of the private sector in the defence industry."

Both Mahindra & Mahindra and BAE Systems are committed to continue building indigenous capability in the Indian defence sector and in establishing leadership positions in the industry.

For further enquiries, please contact:

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